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CROSS BORDER COOPERATION IN SHKODRA
Prospective Euro-Region or a Pending Effort?

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I. Introduction

Traditionally, national borders have placed adjacent regions of different countries in a rather peripheral position thus resulting in a particular kind of economic development challenges for these borderlands. The emergence of the *cross border cooperation* phenomenon in post World War II Europe was a direct reaction to these regional challenges, aiming to better address the mutual concerns of border communities. Accordingly, cross / trans border cooperation is often considered by experts and policy analysts as an effective tool to reduce regional disparities, to boost social and economic development in remote areas and to move on with further integration of national economies in a given geographic area. In the context of Albania, border communities were afflicted the most by nearly half a century of communist rule in the country, as they directly witnessed the consequences of isolation from important cultural and economic centers. This is particularly true of Northern border communities which were deprived of their historical markets across the border without any corresponding efforts to integrate them in the national economy. Due to the economic features of Albanian communist regime, border areas are now facing two primary challenges: (1) *within national borders* – marginalization of their development prospects due to the “monopoly” of the country’s center over the socio-economic development; and (2) *compared to the communities across the border* - sharp disparities and inequality of economic development. The Shkodra district constitutes an “excellent” example of this. Unfortunately, the Northern border regions continue to be an illustrative case of challenged communities in this sense. Although quite rich in natural resources, socio-economic development opportunities for this important cultural and historic center, Shkodra has remained marginalized from the general economic development of Albania in the post communist era.

Shkodra district and the underdeveloped northern part of the country has often been the main spotlight of AIIS activities – studies, workshops, round tables etc. In this effort, the

institute's research team in cooperation with local stakeholders focused on the current state and the role of cross border cooperation with Montenegro in the following fields: economic development, environment protection, tourism, local governance, higher education, culture and media. This paper is a result of several meetings, round tables and consultations with local actors in Shkodra as well as with Tirana based stakeholders (central government, donor organizations etc.), which were preceded by a thorough analysis of the state of cross border cooperation. It portrays first and foremost their concerns, experiences and their expectations as regarding cooperation with the Montenegrin border community in areas of common interests. The sectoral papers in this publication are a synthesis of the contribution of local experts and the input of AIIS research team field work. This initiative is a continuation of our work in the region aiming to assist the economic and social development in the Shkodra district through a better understanding of the challenges and development prospects of the region.

The project has identified great potential and unexploited or scarcely exploited opportunities in several fields such as the *tourism sector* – where there is a great potential to develop four types of tourism (coastal, winter, cultural and agro-tourism); and *higher education* – by deepening the cooperation of the academic community in Shkodra and Podgorica with different mobility programs or approximation of curricula. Furthermore, there exists mutual interest within the border communities on both sides of the border to make full use of their respective comparative advantages in certain areas. This paper identifies these sub/areas, the support needed, the role that each national and local stakeholder should play and in this sense, it further explores the premises and the required input for establishing more effective forms of cross border cooperation that may one day result in a Euro-region.

II. Executive Summary

Following the fall of communist regimes and the tumultuous 1990s, cross border cooperation in the Balkan Peninsula has been strongly supported by the international community in order to assist the economic recovery and reconciliation attempts of post-conflict adjacent societies. Beyond that, the challenge of the region—functioning market economy, democratization and European integration—further highlight the role of cross and trans border linkages particularly in the Western Balkan countries, now part of the Stabilization and Association process. Cross border cooperation has found a relatively high position in the national political agenda and accordingly, serious attempts to take full advantage of this phenomenon are now present in almost all Balkan countries: Morava-Pcinja-Struma Euroregion (Macedonia, Serbia, and Bulgaria); Ohrid-Prespa Euroregion (Albania, Macedonia and Greece); Danube - Drava - Sava Euroregional Cooperation (involving Hungary, Croatia and Bosnia-Herzegovina); and other institutionalized forms of cross border cooperation.

The City of Shkodra and the adjoining area is definitely one of the most attractive regions in Albania for developing cross border (with Montenegro) as well as trans border cooperation (with UN-administered Kosovo, Serbia and Italy). Not only the border proximity with Montenegro, Shkodra's scarcely utilized economic, cultural and tourist (natural resorts) potential, but also its tradition and former status as the region's most important economic center constitute a great incentive for local authorities to link their efforts with the northern neighbor in order to better address mutual concerns. From a strictly domestic perspective, the incentives are great as well. An economically developed and integrated Shkodra can act as the engine of development for most of the Northern region as the only important urban area in a region which has fallen far behind the rest of the country.

However, in the last 15 years Shkodra region could not fully utilize its potential, partially because of lack of attention by central authorities and by other important actors (donor community, foreign investors) but mostly because of the regional and national security

situation which hindered the normal pace of cross border cooperation with Montenegro during the 1990s. While Montenegro is experiencing a relatively swift economic recovery, particularly in the tourism sector in the post 2000 period, Shkodra is still facing infrastructural, economic and also security problems which has deepened even more the development gap between the two regions. In such circumstances, cross border cooperation in certain fields (business, tourism, culture) was relatively *unattractive* to Montenegrin stakeholders as the Albanian side practically had little to offer in the way of comparative advantages, due to the unattractive business environment, security situation, weak infrastructure and lack of central government support. Nevertheless, while the aforementioned problems remain central in some areas of interest for cross border cooperation, their impact has not jeopardized cooperation in fields such as higher education or environmental protection. Wherever Montenegrin authorities have perceived an immediate interest in the fruits of cross border cooperation, Shkodra stakeholders have been forthcoming and positive results have followed.

Cross border cooperation between Shkodra and the adjacent Montenegrin region is certainly advantageous to and desirable by both border communities. Shkodra region and the Montenegrin adjacent border areas share common interests and responsibilities in several areas - natural water and terrestrial resorts; common cultural, historic and traditional heritage to be preserved, economies of scale - which have so far only partially been exploited. The *intensity* of this region's cross border cooperation in general during the post 2000 period still falls short of its potential and is yet to be institutionalized, regardless of the often enthusiastic agenda or the admirable efforts of local stakeholders. Needless to say, different areas of interest display diverse "conditions" to cross border cooperation, consequently involving different sets of instruments and policies to be employed by local, national and international stakeholders. Considering the level of development on both sides of the border, cross border cooperation with Montenegrin border areas has been more efficient and well-structured only when the *mutual interest* has been supported by a *functioning network of actors* outfitted with a consolidated framework of well-targeted goals, policies, instruments and substantial institutional

assistance. Such definition of the *network* implies a high level of actors' interest, interdependence, capacities, pressurizing abilities and commitment, in order to fulfill the common agenda's objectives. This study finds that only in the field of environmental protection there is a relatively "concentrated" cross border interaction between Shkodra and Montenegro while in other areas cooperation has been less robust.

Local Governance. Considering the obstacles to cross border cooperation during the last decade (the Yugoslav wars, the breakdown of law and order in Albania in 1997, and weak decentralization) and the acute issues of local socio-economic development in the northern region, the progress achieved so far does not display the characteristics and achievements one may have expected from a normal pace of 15 years cooperation. The beginning of the present decade marked for local government institutions the start of a continuing learning and capacity building period which was characterized by the failures and successes inherent in trial-and-error. Lack of experience of local government units in border areas however, was not the only reason for the successful stories and neither for the failures. Depending on the cooperation field at stake and actors involved independent of local authorities, the latter's cross border initiatives have been influenced also by:

- The commitment, capacities, level of interdependence and coordination of the parties involved;
- The relationship established with the community of interested actors and the object of the respective cross border initiative;
- The affiliation and support of national governments in the respective countries;
- The role of the donor community and its coordination.

While the first two factors are object to the initiator's (local authorities) assessment on suitability, the last two are rather difficult to be influenced by Shkodra authorities. The fragmented decentralization process (transfer of competencies with no policy implementing tools and instruments) and the lack of cooperation between local and central government has harmed the pace of cross border cooperation, contrary to the declaratory ambitious agendas. Additionally, cross border cooperation of Shkodra local authorities has often proved that it lacks a "bottom – up" approach and that it comes

mainly as a consequence of other regional agendas such as European integration or as a component of the donor community's activity as in environmental issues. The donor community, on the other hand, has often employed an individual approach, characterized by lack of coordination with other initiatives (sometimes even within the same focus area) and a fragmented assistance. Local authorities in Shkodra region have been fairly successful in utilizing donors' interest and consequently to integrate their support in the respective agenda of cross border cooperation and its further institutionalization.

Tourism and business cooperation. The last fifteen years of transition proved that the re-establishment of the "natural" business links of Shkodra with its regional partners and its revival as an important economic area would take more than just market incentives. Albania's transition even deepened the development gap with Montenegrin borderlands as well as in relation to the national economy, in particular, with the central and western part of the country. The capacities of the local business community so far did not succeed to go beyond the limits of small trade leaving economies of scale unutilized. Local stakeholders and national experts have constantly drawn attention to two other areas of mutual interest for cross border cooperation with Montenegro, which carry an immense potential for success and results even within a relatively short period of time: *handicrafts / artisanship* and *tourism*.

Local communities on both sides of the border have a long tradition in handicrafts and artisan products (crafts). While the Montenegrin handicrafts facilitated by the development of tourism have already been provided the necessary support and space in the national market and beyond, this has not been the case with Shkodra. Nevertheless, the interest expressed in several handicrafts promotional events proves that "the tradition is still alive". Lack of financial resources has limited not only the development of this sector, but also the organization of trade fairs that would eventually contribute towards the promotion of this sector beyond national borders. The tourism sector in Shkodra also finds itself in a very weak position as compared to the Montenegrin one. Shkodra district and the northern neighbour share similar characteristics of the *tourism sector*, due to their common natural resources including lake (Shkodra Lake), river (Buna), sea (Adriatic

Sea) and also a mountainous area (Accursed Mountains). This area, consequently, manifests all the necessary prerequisites for the development of four branches of tourism: coastal (lake and sea), winter (mountains), cultural (historic, cultural and archaeological attractions) and agro-tourism. Although the proximity in geographical terms of these resources (within a 30 km radius) constitutes quite an attractive advantage as compared to Montenegro, the tourism sector in this district has not utilized even the minimal potential of the region. Efforts in this sector, however, should not necessarily focus on competing with our neighbour's long experience in tourism - local competition. They rather need to be focused on joining and coordinating operations on both sides of the border in order *to attract a greater number of tourists worldwide and to ensure better utilization of the natural potential for the development of the tourism sector*. Cross border cooperation in this area should focus on utilizing the progress of Montenegrin tourism to make Shkodra as part of the Montenegrin tourist area. This message needs to be transmitted to the Montenegrin counterparts which may perceive Shkodra district as a future *best competitor* in the tourism sector.

While the local business community and other civil stakeholders in Shkodra region must take a more proactive position to pressure local government units and central authorities, public actors must show commitment to adequately respond to this pressure. The business environment and the lack of foreign direct investments still constitute major obstacles for the development prospects of Shkodra and in this sense, central authorities should show that they can do more than just declaratory support to the process.

Environment protection. Cross border cooperation on environmental issues in Shkodra district constitutes the best example of productive interactions between Albania and Montenegro. It is, in fact, the only sector which is recently being characterized by a harmonized course of actions and cooperation between public and civil stakeholders involved on both sides of the border. An important feature of the cross border component in environmental issues is the high level of inclusiveness with key actors from the public sector (local and central authorities), civil sector (local and inter/national organizations, academic community etc.) and to a lesser extent, economic operators involved. The

settings of these actors' interaction in environmental field have portrayed and effectively addressed not only the needs and the interest, but also the eventual input each actor is able to provide. Apart from the local stakeholders' interest, there are two additional factors that have contributed towards the recent progress in this field:

- The effective and firm involvement of the donor community;
- The great interest of Albanian and Montenegrin central authorities with regard to the natural resources these countries share.

Local stakeholders – civil organizations, academic community, local authorities – and the respective networks have maximally utilized these two factors in several cross border environmental initiatives.

Yet, the involvement of civil society actors and the donor community can not improve by default the state of environment in the region without a more pro-active and problem-solving oriented approach by the public sector – local authorities and central government. Cross border civil initiatives in environmental field should be seen by governmental actors as an important assisting instrument and not as the last resort tool to keep alive the cross border cooperation between the two countries. While cross border cooperation in environmental issues has so far rightly achieved the status of “*one of the best-developed interactions*” between Shkodra and the Montenegrin borderlands, an appropriate input by state authorities has the potential of maximizing the utility of cooperation and bestow it with the status of “*the most efficient and effective cooperation*”.

Higher education. The existence of universities close to the border regions – the State University of Montenegro in Podgorica and Luigj Gurakuqi University of Shkodra – is an important factor that can have a significant impact on cross-border cooperation and regional development. The academic community in Shkodra and Podgorica has overcome most of the imposed barriers especially in the post 2000 period. One of the most important advantages of academia's cross border cooperation is the donors' supportive attitude, as well as the fact that both universities clearly identified the fields of common interest for both – the donor community and the higher education institutions in Shkodra and Montenegro. While both universities took full advantage of the assistance being

provided for research in the environmental field (Shkodra Lake, Buna River and other natural resorts) and for institutional building needs, they now have to refine their cooperation priorities in order to deepen the process. At this stage, efforts should accordingly focus on the subsequent phase of academic centers' cross border cooperation in the region, as now academia is ready for new dimensions of cooperation in the higher education system. The new century's challenges and the European integration process and experience put forward new priorities for higher education institutions in both countries such as: mobility of students/teaching staff; curricula and teaching methods; and mutual recognition of earned degrees. While universities can also assist border communities' cooperation, progress in other socio-economic spheres is certainly needed so as to provide the necessary boost for such cooperation.

Culture. Cross border cooperation in culture is probably one of the most problematic for the northern Albanian district, mainly, because of the peripheral attention it has gained thus far and the existing low prospects for support. Joint cultural events have been organized since early 1990s by many local associations and individuals that have occasionally been supported also by Shkodra and Podgorica municipalities. However, intensive cross border cultural cooperation between both border communities will not become reality only with intermittent cultural events which may take place in the margins of other events such as fairs or other promotional activities. Serious attention should be paid to a more sustainable and thorough cooperation between cultural institutions in fields such as archaeology, museums, history, theaters etc. The first serious attempt to go beyond this limit is the *Strategic Plan for Economic Development 2005–2015* (Shkodra Municipality) which in addition includes a cross border perspective in this field. This document has clearly identified also the necessary measures that would provide this sector with a more favorable position to contribute in the socio-economic development of the region mainly in the area of tourism, by putting the efforts of local and inter/national stakeholders under a significantly consolidated framework, harmonized with actions in other fields - economic development, cross border cooperation in the tourism sector etc. In addition to the Strategy, local stakeholders should now focus on enlivening the

national stakeholders for more compact actions. While central authorities will certainly be the main focus of these efforts, public institutions and other actors in the culture sector must “provoke” also the involvement and support of active stakeholders in the cross border cooperation process while concurrently strengthening the already established links with Montenegro.

Media. The local media sector in Shkodra region is definitely the community with least developed (almost inexistent) cross border cooperation with Montenegro. None of the Albanian northern region’s media outlets has actually established cooperation links with their “competitors” in Montenegro. Their so called *cross border dimension* has so far occurred only peripherally and spontaneously, i.e. mainly by enabling media coverage of certain cross border activities. Unfortunately, not only the role of the state in this aspect is entirely absent, but also the donor organizations’ involvement has so far barely shown any major result (except few training events for journalists where local reports have participated). While free and fair competition would probably *administer* the common interest and eventual cooperation of local private electronic media as the latter would build up, a greater involvement of other actors is expected in order to develop cross border links between this sector’s operators.

In spite of the opportunities and prerequisites for developing an intense cooperation between Shkodra and the Montenegrin border area, local stakeholders have scarcely exploited the advantages of the region’s geographical position and its economic potential. Consequently, improved efforts must be further invested in order to achieve a satisfactory level of cooperation in fields of common interest. The implementation of the ambitious “political” agenda – institutionalization of cross border cooperation by setting up a euroregion – seems still distant, because of the lack of strong links between both border communities in most important areas. While the formal establishment of a euro-region may seem an easy-goal to be achieved, its practical implementation will undoubtedly raise concerns over the very functioning of a structure that lack its basis – interactions of stakeholders aiming at better addressing mutual challenges. The

greatest emphasis at this point should therefore be attached to the process and the still pending efforts, rather than the final formal outcome.

III. Recommendations

Cross border cooperation between Shkodra and the Montenegrin border areas has undergone an unusual pace of development in the last decade and a half. Due to the difficult twists of history, Shkodra was deprived from a continuous course of interactions with Montenegro, while it was simultaneously placed in the margins of the national socio-economic development. Accordingly, progress in this northern region lagged far behind the pace of the Montenegrin economic recovery in the post 2000 period which meant an even greater development gap between both areas and consequently an unfavorable position for Shkodra while “seeking” cooperation opportunities with Montenegro.

Although high level political meetings between both countries’ authorities have been intensified in the last couple of years, support for cross border cooperation in the respective in this region is still below expectations. Albanian and Montenegrin central authorities have been successful in addressing certain local demands that would assist private agents on both sides of the border such as new border crossing points, improvement of national road and rail network. However, Albanian central government has failed to respond to a great number of other development issues plaguing Shkodra – local and regional road infrastructure, economic development, border infrastructure, and adequate support to local authorities. Taking into account the history of disempowerment, Albanian local government authorities and other civil / private stakeholders have shown a relatively good performance in some fields. Their engagement in areas of common interest for cross border cooperation such as higher education and environment has been satisfactory, while it lacks a well focused effort in other areas like tourism, media or business cooperation. With regard to the scope of work, this study puts forward the following recommendations for local, national and international actors in order to improve results in cross border cooperation in business and tourism, local governance, environmental protection, higher education, culture and media.

Cross border cooperation between local government authorities

Several initiatives of Albanian and Montenegrin local authorities demonstrate that they both are willing to strengthen their links between the respective communities. Nevertheless, the difference between success and failure has been the capacities of actors and the coordination within the network as well as the support provided by central government and donor organizations. That is, at present local governments cannot sustain meaningful cross-border cooperation without input from outside actors.

In the past, local authorities have been keener to establish special consultative/advisory bodies that would facilitate their efforts in building strong links with the community across the border - *Shkodra Regional Forum for Cooperation with Montenegro*. Although such bodies are often capable to add momentum, local authorities must make an objective assessment not only to the object of such body, but especially to its functionality as regarding: capacities, interdependence, coordination of actors involved and the affiliation and support of national governments and the donor community. While the latter's support is often vital, local authorities should put a strong emphasis on the "network" as this will ensure sustainability and self-reliance of the initiative.

Local authorities and the central government must put more effort in the process of consolidating cross border cooperation, rather than focusing on the formal institutionalization of a cross border "structure" (euro-region) which lacks a very important element – *the interaction*. That is, they need not 'jump' over the steps of cross border cooperation. At this stage, the process should emphasize a "bottom – up" approach, by enabling local stakeholders to "capitalize" on unprompted cross border initiatives and by providing other actors - inter/national donor community, investors - with more space for well-focused support. While the link between local stakeholders and the donor community mainly needs minimal adjustments and coordination, at the national level, the relation between local and central government authorities needs to be improved within the framework of the principles of good governance and decentralization. These measures may eventually result in the final stage of this process – euroregion.

Tourism and business cooperation

Cooperation between Shkodra and the adjacent Montenegrin area has so far been guided by two different “priority agendas” – the Montenegrin one focusing on environmental issues and to a lesser extent in higher education; and Shkodra’s agenda emphasizing cooperation in business and tourism, without any prejudice to the other fields (higher education, local governance, environment, culture or media). Although joint actions in most fields considered of mutual interest have been present, experience demonstrates that Montenegro has succeeded to “impose” its priorities (protection of shared natural reserves – Shkodra Lake, Buna River) better than Shkodra did (cooperation in tourism sector). The agenda’s success is often conditioned upon the development in the respective area and in this sense Shkodra is still lagging behind. For as long as Shkodra’s socio-economic development lags behind Montenegro, Shkodra authorities will not be able to maximize their interests despite their good will.

The Albanian side must show diligence and persistence in improving this region’s position *vis a vis* the Montenegrin one, particularly as regarding business environment, infrastructural concerns, availability of financial resources, foreign investments etc. Such actions will provide Shkodra business community a more favorable status which will further attract Montenegrin private sector to develop joint ventures with their Albanian counterparts. In this way, the agendas of both sides will coincide better and, even if they do not, they will be on equal terms to negotiate with each other.

Special attention must be paid to two prosperous economic sectors in Shkodra: handicrafts and tourism. Although Shkodra has reaffirmed its artisanship / handicrafts’ tradition, lack of financial resources and a sound market infrastructure has limited its boost. Local stakeholders (private, financial and civil) and central authorities should therefore invest more efforts in this sector, which simultaneously may well assist also in the development of tourism.

The latter constitutes the greatest potential for cooperation with Montenegro where tourism is already one of the most important economic sectors. Although Shkodra region

has a favorable geographical position for developing different kinds of tourist activities, competing with Montenegro should not be an option even in medium terms. Efforts rather need to be focused on joining and coordinating operations on both sides of the border in order to attract a greater number of tourists worldwide and to ensure better utilization of the natural potential for the development of the tourism sector. This is exactly what needs to be voiced out to the Montenegrin counterparts which may perceive Shkodra district as their future best competitor in the region's tourism sector.

Environment protection

Cross border cooperation in environmental issues constitutes one of the most efficient interactions between Shkodra and Montenegro. Not only the local communities' interest, but also the continuous support from the civil sector and donor organizations have "conditioned" such a progress in this field, where both countries share responsibilities. Yet, environmental concerns are far from being fully addressed, as there are still a large number of issues urging for solution and common actions from both sides of the border. The involvement of civil society actors and the donor community can not improve *by default* the state of environment in the region, particularly in the Albanian part. A more pro-active and problem-solving oriented approach is needed by the public sector – local authorities and central government. The support from local and central authorities in the country still seems that it can not catch up with the cadence of cross border initiatives. The progress is being further hindered also by several difficulties in other areas such as fiscal decentralization, improvement and synchronization of capacities and competencies of governmental bodies, the uncontrolled activities of economic operators etc., which inevitably affect local/regional and national authorities' performance in protecting Shkodra's natural reserves.

Nevertheless, the actual progress in improving certain areas (economic development, rule of law, the well-functioning of local governance etc.) conditioning or with an impact on environmental protection matters should be accompanied with greater efforts to gather the donor community's support at a higher stage of cross border cooperation in

environmental field. The implementation of the so far agreed initiatives as well as of the forthcoming ones between (central and local) governmental actors in both countries, first and foremost need the state's involvement. The civil sector's contribution, consequently, can not substitute such involvement and neither can it entirely fill up the gap emerging from the public authorities' incapacity or unwillingness to act. Cross border civil initiatives in environmental field should be seen by governmental actors as an important assisting instrument and not as the last resort tool to keep alive the cross border cooperation between the Albania and Montenegro.

Higher education

The academic community in Shkodra and Podgorica has developed a well-structured cooperation between the respective universities. Both institutions have managed to clearly identify and coordinate their interest with that of the donor community supporting their interactions. Nevertheless, higher education institutions in Shkodra and Montenegro must now "respond" to the new challenges and new dimensions of cooperation between universities: mobility programs for students, researchers and academic staff; enhance quality of higher education systems; promotion of intercultural understanding; strengthen co-operation and international links etc. progress in this direction will undoubtedly provide another instrument for bringing closer and linking border communities in this area and beyond.

Culture

Cultural interactions between Shkodra and Montenegro have so far implied mainly intermittent cultural events without paying attention to building sustainable links and cooperation between cultural institutions in the respective border areas. Another handicap in this context constitutes the fact that cross border cultural cooperation is less developed with (ethnic) Montenegrin actors as compared to that with the Albanian community in Montenegro. Furthermore, cooperation in this field has been limited to only few subsections (concerts or exhibitions) and less "action" is visible in archaeology, museums, history etc.

The Strategic Plan for economic development of Shkodra Municipality (2005-2015) offers a cross border perspective in the cultural sector which must in addition be accompanied with serious efforts to enlivening other stakeholders' support in this sector. This attempt should definitely be focused on governmental actors in charge - particularly, of the financial aspect - of the development of culture sectors, but it should not stop at this point. Public institutions and other actors in the culture sector must "provoke" the involvement and support especially of active stakeholders in the cross border cooperation process - inter/national donor organizations, civil society, local bodies etc. - while concurrently strengthening the already established links with Montenegro.

Media

Cross border cooperation of local media is by far more "desperate" than that was the case with the culture sector as this sector is still at the beginning of the first phase – that of erratic attempts to cooperate with no major support of other stakeholders. Although the progress in due course of cross border cooperation with Montenegro in all fields of common interest (tourism, business, culture, higher education etc.) will undoubtedly elevate media sector's involvement and joint activities, the existing communication gap may well appear as a weakness of media's cross border cooperation in the subsequent stages.

State authorities should therefore provide support for local broadcasting operators as well as the printed media by encouraging them towards the cross border component in their pursuit. The utilization of such incentives (grants for TV programs or other joint activities) will not only put in place the communication and cooperation "infrastructure" facilitating cross border cooperation of operators in this field, but it will also contribute towards the advancement of cross border interactions in other relevant fields of common interest in Shkodra and the adjacent region in Montenegro. Civil society organizations and inter/national donors should also be more open to actions in this context either through direct support (competitive grants, institutional support etc.) or through indirect

assistance – training (human capacity building), facilitation of media representatives' consultations and exchange of experiences etc.

The support that would eventually be provided by other actors (state authorities, civil sector, different donors etc.) in this process, although is essential at the early stage, must ensure that local media operators would not become fully dependant upon their assistance. While assistance and increased support is needed to ensure the shift from the actual reality, it must be carefully granted in the subsequent stages so as to ensure that cross border cooperation in the media sector in Shkodra and Montenegro is self-reliant and that its engagement in this process does not result from donor's assistance, but from the prospects (opportunities and benefits) of border regions' cooperation.

IV. Shkodra district - Overview

“Every state border, every border region is unique. Their meaning and significance can vary dramatically over space and time, as regimes change in one or more of the adjoining states, as borders are “closed” or “opened”, or as prices lurch from one side of the border to the other.”¹

The Albanian Montenegrin border is around 220 km long, out of which 126 km are land borders, 22 km sea borders, 38 km lake borders and 8 km stream borders.² City of Shkodra is the most important urban and cultural center in northern Albania and the only rail gateway to European market. Before the establishment of the communist regime, Shkodra held the status of the biggest economic and trade center not only for Albania but also for the Montenegrin part of the region. The city of Shkodra is an important cultural and historic center with historic monuments such as the Rozafa Castle - a marvelous historic monument with a beautiful, but dramatic legend and the region's most important Catholic institutions.

Shkodra district³ is one of the biggest in the country with around 200.000 inhabitants in two cities (municipalities) - Shkodra and Koplik, 16 communes and 141 villages. Unlike other parts of Albania, this district has proved to be relatively immune to massive migratory movements throughout the last decade although there has been considerable movement from the rural highlands to urban areas. *See Table 1.*

¹ ANDERSON and O'DOWD (1999), “Borders, Border Regions and Territoriality: Contradictory Meanings, Changing Significance”, p. 594.

² Ministry of Public Order: Strategy on Border Control and its Integrated Management 2003 – 2006. Decision of the Council of Ministers No. 118, date 27.02.2003.

³ Differently from the Law no. 8652 ‘On the Organization and functioning of local government’ (31.07.2000), amended with the Law no. 9208 (18.03.2004), the paper refers to the term Shkodra district / region by implying a geographical area (northwestern part) composed of two counties Shkodra and Malesia e Madhe. According to the official definition of “district” (alb. *qark*) Shkodra district includes also the Puke county located in the inner part of the country, eastwards Shkodra (see Figure 2 below: Map of Shkodra District's border areas). Nonetheless, this paper's focus has been placed on the Shkodra County, in particular the city of Shkodra as the biggest urban area in northern Albania.

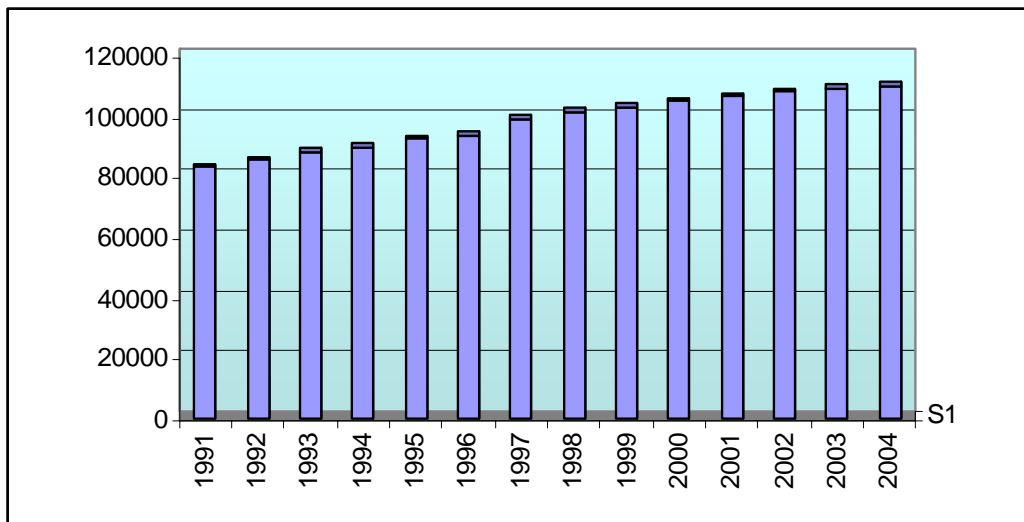
Table 1. Population – Shkodra & Malesia e Madhe counties

County	1989	2001	Urban	Rural
Shkoder (City <i>Shkoder</i>)	192 505	185 395	85 798	99 597
Malësi e Madhe (City <i>Koplik</i>)	43 784	36 692	4 078	32 614

Data from INSTAT REPOBA 2001

The majority of the Shkodra County's population, approximately 45%, is based in the region's biggest urban area, i.e. the city of Shkodra, whose population since the collapse of the communist regime notes a steady growth (*See Figure 1*).

Figure 1. Population change – City of Shkodra 1991 – 2004



Source: Municipality of Shkodra

Its geographical position and climate conditions offer several advantages not only for agriculture and other economic activities, but also for the expansion of tourism. Within an almost 30 km radius the region presents favorable natural conditions for four types of tourism: sea (Velipoja, Shengjini Laguna by the Adriatic Sea) and lake (Lake of Shkodra), skiing and mountain tourism (Accursed Mountains and the Alps), cultural

tourism (City of Shkodra, Rozafa Castle) and agro-tourism. Buna (Bojana) River and the Lake of Shkodra were granted last year the status of protected area - *Shkodra Lake Natural Reserve* (Decision of Albanian Council of Ministers, 2nd November 2005). The natural resources, this area's proximity to the Albanian - Montenegrin border and the traditional relations with the community across the border constitute additional important tools for its economic and social development.⁴ Following its tradition in the education field, Shkodra is the only university center in northern Albania and one of the most important resources (along the Tirana University) for university-educated elites in this part of the country.

Being "in possession" of a rich ecosystem (Shkodra Lake and Buna River), quite near the Adriatic Sea (Shengjin Port) and the nearest transit point towards the north Balkan Peninsula and EU market⁵ (five custom points: Shkoder, Murriqan, Hani i Hotit, Bajze, Vermosh), Shkodra district manifests all the necessary prerequisites to be an important trade and transit area and, simultaneously, one of the main economic and industrial centers in Albania.

Figure 2. Map of Shkodra District's border areas

⁴ Shkodra used to be an important economic center for the community in both parts of the border, until the end of World War II.

⁵ The only railway link that connects Albania with Europe goes through Shkodra district.



However, due to a particularly different transition period, the Shkodra region did not pursue a normal track of cross border cooperation development. On the other hand, lack of focus by the central government in the last 15 years, uncoordinated and sporadic donor assistance and the general national trend of asymmetrical development resulted in the poor development of Shkodra region. Shkodra takes the second place at national level regarding the unemployment rate, with a declining number of private enterprises, weak infrastructure (though slowly improving in the last years) and several other barriers to the business environment and economic development (problems with the power supply and other infrastructure facilities, grey economy, and law and order).⁶ The concentration of the national economic development and industrial activities in the “Durres – Tirana – Elbasan triangle” has marginalized the region and turned it into something of a backwater. The local government authorities, on the other hand, have been too absorbed

⁶ Power supply concerns constitute one of the major obstacles for the normal activity of enterprises in Shkodra. Shortages in power supply have a direct effect not only on the operative costs of companies but also on the level of prices. For more details on the energy crisis see *Human Security in Albania* (AIIS, Tirana 2004), pp. 28-37.

by political disputes—local democrat representatives versus the previous socialist central government—to effectively promote the region’s advantages.⁷ Regardless of the pace of decentralization in the country and the dependence of local government units on the central government budgetary planning, the input of the former should have been more evident, especially with regard to exploring alternative sources of support.⁸

V. Cross border cooperation between Albania and Montenegro

“...Boundaries should [thus] not be taken for granted, as self-evident constituents of a ‘territorial trap’. Neither should they be understood as having some universal independent causal power. Rather they are social and political constructs which are established by human beings for human purposes ... Boundaries also mediate contacts between social groups, and not only separate them...”⁹

Montenegro’s independence referendum (21st of May 2006) noted the final dissolution of rump “Yugoslavia” – the loose Union of Serbia and Montenegro (SCG). Although the legacy of Albanian – Serbian relations and particularly the Kosovo issue had a feeble impact on the relations with the northern neighbor, and as such, also with regard to the cross border cooperation, the consequences of Milosevic’s politics during the 1990s undoubtedly affected Montenegro’s regional and international position. Considering the

⁷ The DP-run local government units, especially in the North, have often called attention to the preferential status (in terms of public investments, budget etc.) of the Socialist ruled units, in order to justify Shkodra’s backwardness vis-à-vis other regions.

⁸ The cultural and historic heritage of Shkodra and its touristic potential for instance constitute a major strong suit for attracting foreign donors community.

⁹ Anssi Paasi, “Re-constructing regions and regional identity”, quoted from “Border Regions and Trans-border Mobility: Slovakia in Economic Transition”, by A. M. Williams, V. R Balaz and B. Bodnarova, *Regional Studies*, Vol. 35.9 (2001): pp. 831–846.

international reaction, Milosevic's key ally in Montenegro – Milo Djukanovic struggled to gradually distance the country from Serbia aiming at independence.¹⁰

Nevertheless, the last decade of the XX century was characterized by an erratic, weak and often “informal” cross border cooperation between Albania and Montenegro in the Shkodra region. As Bumci (2001) argues, following the fall of communism in early 1990s and the democratic and market oriented reforms in the country, northern Albania was not able to fully utilize the benefits from such developments “because it remained trapped as result of the Yugoslav wars of secession, and the UN imposed embargo on rump Yugoslavia”.¹¹ The first official contacts between two countries' authorities took place in early 1993 and culminated with the meeting of the Albanian President Sali Berisha and his Montenegrin counterpart Momir Bulatovic (September 1993)¹². Despite tensions in the relations between Belgrade and Tirana, contacts at the ministerial level between Albania and Montenegro continued to take place even during the UN embargo period and they intensified after the suspension of the embargo. Uncontroversial technical issues such as the visa regime, environmental issues, trade, and tourism were at the top of the agenda. Furthermore, Albanian central authorities strongly encouraged also the northern local government representatives in the Shkodra region to establish close links with their Montenegrin counterparts and to pave the way for cross border cooperation activities.

If we compare the experience in other countries with the state of affairs in this period (early 1990s), the conclusion is that cross border cooperation in Shkodra region was still at early first phase - characterized by erratic cooperation between civil and private local actors and contacts between local authorities, but with no regular public-private interaction or any kind of institutionalized structures of cross border cooperation

10 The 2003 Agreement on a loose confederation between Serbia and Montenegro basically noted the start of the independence path of Montenegro in most of the usual state acting spheres and policies.

11 Bumci A. “Cross-Border Cooperation between Albania and Montenegro” (2001), pp.4. Available at www.policy.hu/~bumci/freport.pdf.

12 Serbian authorities were unhappy about this meeting. Vid Brzak describes in his article (Vreme, 27 September 1993) Slobodan Milosevic's reaction on this occasion: “Give my regards to this man Berisha, said Serbian President Slobodan Milosevic to Montenegrin President Momir Bulatovic on leaving Geneva, prior to the first visit of a top Yugoslav statesman to Tirana after 44 years”.

whatsoever. However, one should not underestimate the role of Shkodra Municipality and its support to local cultural and education institutions, although these activities were limited and conditioned upon internal factors and external developments. While other border regions in Albania developed a normal pace of cross border activity with neighboring Greece and Macedonia at least until 1997, the cross border cooperation with Montenegro suffered delays due to the Yugoslav Wars and the UN embargo. On the other hand, the marginalization of the “north” and the concentration of economic activities around the capital and in the western and southwestern part of the country (as well as the weak state institutions) gave rise to “informal” cross border activities with Montenegro which according to experts continue to this day.¹³ Illegal trade during the embargo period (1993 – 1995) was concentrated mainly on oil and oil products. Reports often refer to the so-called “*Lake Skadar (Shkodra) Pipeline*” through which “up to 200 boats nightly would make a trip from Zeta in Montenegro to Vraka in Albania, bringing barrels of oil to the Montenegrin shore, where the fuel was quickly loaded on trucks and transported to other parts of the republic, to Serbia and to Serbian held parts of Croatia and Bosnia-Herzegovina”.¹⁴ Small cross border trade was another important source of income for the local community in Shkodra region and simultaneously, another aspect of cross border cooperation.

Following the removal of UN sanctions against Yugoslavia, bilateral economic relations and cross border cooperation were improved by a series of agreements signed between the two countries, involving other areas of mutual interest: energy, oil industry, and transport. These events had their own impact also at the local level in Shkodra, where stakeholders - university, local authorities and other local public and private institutions strengthened their links with the community across the border. Unfortunately, this did not

¹³ According to Mr. Ilir Ciko Research Manager of ACIT (Albanian Center for International Trade), illegal trade (mainly import) amounts at approximately 30% of the value of legally imported products through the border crossing points with Montenegro. Presentation of Mr. Ilir Ciko in the round table *Importance of Cross-border Cooperation for the Local Business Community* (Organized by AIIS in Shkoder, February 2006). Presentation also available at: <http://www.acit-al.org/>.

¹⁴ Center for the Study of Democracy, “Smuggling in Southeast Europe”, pp.15 (Sofia, 2002. ISBN 954-477-099-2). Publication also available at <http://www.csd.bg>

last long due to two main events. First, the failure of the pyramid scheme followed by the 1997 collapse of the state forced the Yugoslav army to close the Albanian – Montenegrin border. Second, the Kosovo war and the NATO intervention kept the border closed by Milosevic's Army until February 2000. The subsequent period undoubtedly constitutes the start of a new era in Albanian – Montenegrin relations and their border communities' cooperation, which were assisted also by internal political developments between Serbia and Montenegro.¹⁵ As the internal security situation in Albania improved, so did the cross border cooperation with Montenegro continue to expand, though not with the desired and expected pace.¹⁶

The subsequent part of this study will focus on the state and prospects of cross border cooperation in environment protection, tourism, business, local governance, higher education, culture and media.

¹⁵ See Bumci A. "Cross-Border Cooperation between Albania and Montenegro" (2001), pp.19-22.

¹⁶ This conclusion was drawn also from most of local stakeholders in Shkodra during the fieldwork.

VI. Cross Border Cooperation in Shkodra District – Challenges and Future Prospects

The development of cross border cooperation in an opened-borders environment usually undergoes three consecutive stages.¹⁷ Namely, following the increasing number of private / civil cross border initiatives in border regions (1st phase), in the subsequent phase these activities are embraced also by local public actors and local government authorities. The latter's involvement in cross border cooperation activities should and normally it does contribute towards the consolidation of cooperation in different areas between the stakeholders and their respective "networks" on both sides of the border. The institutionalization of cross border cooperation in terms of creating common administrative and / or coordination framework (structures) constitutes the *last* stage of the development of cross border cooperation. The most well known institutionalized form of cross border cooperation is undoubtedly the euro-region, but also other structures such as "working communities" or simply, non-governmental organizations with regular membership.¹⁸ The officialization of the different forms of cross border cooperation implies mainly the creation of an operational functional system whose role and impact will considerably depend on a country's administrative structure, level of (de)centralization and the central-local level relations.

Applying this to the Shkodra case, the conclusion is that this region is still at the early second stage. However, the conclusion is not so clear-cut if different areas are analyzed separately. Namely, while there is relatively intensive cross border cooperation in

¹⁷ See for instance Gasparini Alberto - The institutionalisation of co-operation, in "Cross-Border Co-operation in the Balkan-Danube Area"; Council of Europe, ISIG; Gorizia 2003; p.223.

¹⁸ The Euroregion is not a new administrative level but rather has the functions of service center for those who need to establish closer contacts with the other side of the border. The word "euroregion or euregio" comes from the border of Holland and Germany, and later it has entered common usage. The Euroregion is defined as the cross border areas' thrust towards institutional autonomy to improve cooperation and foster development in those areas that would, otherwise, be destined to remain in marginalized condition and be hindered in their possibility of ensuring a good quality of life for their inhabitants. See Zago Moreno; "Borders between Eastern and Western Europe," *ISIG magazine* N.32, December 1999-February 2000.

environment protection, the tourism or media sectors are characterized by very sporadic and unfocused efforts. The subsequent part focuses on evaluating cross border cooperation between the Shkodra community and the Montenegrin borderlands in tourism, business, environment, higher education, culture and media.¹⁹

VI.1. Local government and cross border cooperation in the Shkodra District

One of the most active participators in cross border cooperation in the Shkodra district is undoubtedly the City of Shkodra – representing the main urban center of this district, with a long tradition of cooperation with the northern neighbor. The role and impact of local authorities in other border sub-areas has not been comparable to the biggest urban area in this region.²⁰ First official contacts between Shkodra Municipality and Montenegrin local authorities in Podgorica were established relatively late and only after Albanian local authorities were encouraged to do so by the central government.²¹ The national, bilateral and regional context until 1999 – 2000 analyzed above is only part of the many reasons why these contacts did not produce any tangible results for the local community. On the other hand, the remaining challenges - infrastructure problems, weak capacities, lack of coordination etc. – continue to hinder Albanian local authorities even after the restoration and intensification of contacts between local government units in both sides of the border in the new millenium.

The decentralization process in Albania empowered local authorities to act in several important aspects for the local community. Yet, lack of cooperation between local and

¹⁹ The reasons behind this choice derive not only from experience in some areas (environment and culture), but also from the potential of other areas such as tourism.

²⁰ One such commune is the commune of Kelmend (Albania) that has already concluded a cooperation agreement with municipality of Plave in Montenegro. The Vermosh border crossing point which is located in the same area has played an important role in strengthening these communities' links. This initiative was also a response to the local community's need for a closer link with Montenegro. Interview with Mr. Bardh Sullaku, Head of Development Office - Prefecture of Shkodra (November 2005).

²¹ See Bumci A. "Cross-Border Cooperation between Albania and Montenegro" (2001), pp.36.

central government, as well as the fact that the transfer of competencies was fragmented and was not accompanied with the necessary policy implementing tools and instruments, transformed this step into a rather “fictive” empowerment. Furthermore, the different systems of local government organization between Albania and Montenegro and the different pace of progress of both countries on decentralization reform constitute another “complication” for cross border cooperation in this region.²² What is a common feature in this regard for both countries is the fact that central governments have been in such position so as to impact and occasionally even interfere in local authorities’ work, either directly (Montenegro)²³ or indirectly (Albania).²⁴ Although these practices do not necessarily involve the cross border cooperation field (actors and/or regions), they however make evident the weaknesses of local authorities’ position and their (in)capacity to implement policies that target and are driven by local community interests. In this context, the involvement of the international donors and other organizations proved to be relatively successful in overcoming this obstacle. While the business community and other private actors may spontaneously find incentives to cooperate, public authorities in the Western Balkans often lack initiative and bandwagon on other actors’ agendas – European integration or other prospective agendas.²⁵

Although first contacts between Shkodra municipality and the border Montenegrin municipalities - Podgorica, Ulqin, Tivat etc.- were established since early 1990s, cooperation agreements with Tivat and Ulqin were signed only in 2002 and 2004, respectively. Cross border cooperation between local authorities until 2000 was very sensitive to factors which they could not influence (UN embargo, the Kosovo crisis and the 1997 events), as well as to the state of cross border cooperation in other private

²² Under the Montenegrin “Law on Local self-governance” (adopted in July 2003) the country is divided in 21 municipalities with no regions or provinces. Albania, on the other hand has a two-tier organization of local government.

²³ Freedom House, *Nations in Transit Report 2005* (Serbia and Montenegro - Country Report) refers to the Budva and Niksic case, when national “government claimed that the municipalities had not fulfilled their financial obligations to the national administration and blocked their bank accounts with Montenegro Banka, thus making it impossible for the local governments to function and pay salaries to local officials.

²⁴ Several accusations have been voiced out by DP ruled local government units as regarding socialist government’s unequal treatment of municipalities (for central budget financial resources).

²⁵ Note that cross border cooperation is a key element of the Stabilization and Association process.

spheres within the Shkodra district. Furthermore, not only local authorities but (after 1999-2000) even the inter/national donor community was in “need of prospective areas” of cooperation. The sporadic contacts due to the regional crises during the 1990s, prevented local government authorities to pursue a normal pace of cross border initiatives that would gradually evolve into a consolidated cooperation between local governments units in both side of the border. In addition to already existing national barriers, the Balkan crisis disrupted on several occasions the established links between local authorities in Shkodra and Montenegro, undermining their further development. The beginning of the present decade actually noted for local government institutions the start of a continuing learning and capacity building period which was characterized by both - failures and successes. Also, depending on the cooperation field at stake and actors involved in spite of local authorities, cross border initiatives have been seriously influenced also by:

- The commitment and capacities of the parties involved;
- The level of interdependence and coordination within the “network”;
- The relationship established with both, the interested actors’ community and the object of the respective cross border initiative;
- The affiliation and support of national governments in the respective countries; and
- The role of the donor community and its coordination.

An illustrative example is the effort to establish a special cross border forum (Shkodra District) in early 2001 which was expected to assist the cooperation between border communities, as well as the local authorities’ institutional and capacity building process. The *Shkodra Regional Forum for Cooperation with Montenegro* (headed by the Shkodra Prefecture Office) was established in May 2001 and it was composed by various local actors: the Municipality of Shkodra, the communes bordering Montenegro, Directorate of Agriculture and Food, Regional Environmental Agency, Regional Police Directorate, Labour Office, Chamber of Commerce, Regional Customs Office etc. By drafting

sectoral and comprehensive policy papers that would address local concerns, submitting relevant proposals to central government authorities and by encouraging its members to strengthen cross border linkages with Montenegro, the *Shkodra Forum* was aiming also at assisting the effective implementation of several agreements between Albania and Montenegro in different areas. The *Forum* was expected to be involved also in paradiplomatic activity, because, amongst other tasks, it took upon itself to establish contacts with different institutions across the border in order to facilitate cooperation.²⁶

Apart from the lack of legal / institutional framework that could have provided the initiative with some basic instruments to effectively perform its tasks, its role faded “due to lack of cooperation between central authorities as well as local actors in Shkodra”.²⁷ Although the *Forum* had an ambitious mission and in relative terms clearly identified goals, its founders—local authorities and other public institutions in Shkodra—did not sufficiently focus on several elements. Firstly, the capacities (human, resources, infrastructural) of actors involved, as well as the level of their coordination and interdependence did not correspond to the “needs” imposed by its mission. Apart from the declaratory determination, this initiative lacked clearly defined strategies for involving other local actors and particularly the donor community, including lobbying with the central government authorities. Furthermore, the broad focus and the scope of work of the *Forum* meant that, even if successful, the results from such initiative would have been produced only in the medium term at the earliest. This, on the other hand implies that adequate instruments should have been identified from the very beginning so as to allow a normal activity in the meantime. Local experts claim that besides the fact that local government authorities need a set of well defined mutual interests for cross border cooperation, they also need to employ adequate methods and strategies to make such initiatives efficient and sustainable. Namely, contrary to the *Regional Forum*, cooperation between Albanian and Montenegrin local authorities has proved to be quite

²⁶ See Bumci A. “Cross-Border Cooperation between Albania and Montenegro” (2001), pp.44.

²⁷ Ibidem.

successful in the frames of the *Shkodra Lake Forum*.²⁸ Unlike the previous case, the actors involved in the Shkodra Lake Forum made a clear and pragmatic assessment of the mutual interests as well as requirements in the field of environment protection.²⁹

The role of Shkodra Municipality in support of cross border cooperation notes a positive record in the last few years also due to the support and active involvement of the donor community and other private actors in certain areas. Fewer ambiguities and obstacles were displayed in areas of cooperation between local public institutions in Shkodra, Ulqin, Tivat and Podgorica. In some joint activities in the field of culture and sport, local government authorities contributed mainly from a facilitator's position rather than active promoters. Nevertheless, considering the problematic 1990s and the challenging subsequent decade, it should be emphasized that the input of Shkodra Municipality, though modest, has often provided a major impetus in establishing cross border links, in particular with Montenegrin municipalities where ethnic Albanians represent the majority. Yet, tangible results are still lacking with regard to issues of everyday concern for the local community – economic development. In this regard, Shkodra municipality with the support of the World Bank and the SOROS Foundation in Albania has prepared a ten-year (2005 – 2015) *Strategy for Economic Development*. The document foresees concrete actions by local authorities aiming at facilitating and promoting cross border cooperation with Montenegro mainly in the field of tourism (cultural tourism).³⁰ It remains to be seen whether and what kind of support will be gathered in order to operationalize the *Strategy* and how will the mutual interest be perceived within the Montenegrin border community. So far the Montenegrin side has shown distinct interest mainly on issues related to environment protection, which is one the problems that Shkodra's *Strategy* tackles with. There is also paramount interest expressed by the international donor community (USAID, UNDP, World Bank, Global environment Fund, GTZ etc.) to assist local authorities in Shkodra in their efforts on these issues. The latter

²⁸ Interview with Mrs. Djana Bejko, Project Manager - Regional Environment Center, Shkodra Office (November 2005).

²⁹ Shkodra Lake forum is further elaborated below.

³⁰ Interview with Mrs. Zemaida Kastrati Mozali – Head of Foreign Affairs Office in the Municipality of Shkodra. (November 2005).

should therefore utilize such momentum as a starting point for expanding cooperation also in other areas and finally establishing an institutionalized form of cross border cooperation, for which support has been already expressed by the political leadership of both countries.³¹

Involvement of both, local and central authorities in such initiatives so far proved to be only declaratory or in the less pessimistic case, it only modestly contributed in the process of establishing institutional forms of cross border cooperation. This conclusion reaffirms the fact that cross border cooperation of local authorities is not yet fully driven by a “bottom – up approach” and it comes mainly as a “consequence” of other regional agendas (European integration) or as an “element” of the donor community’s activity. The latter (inter/national donor community) has often employed an *ad hoc* approach in the Shkodra region, characterized by lack of coordination with other initiatives, sometimes even within the same focus area. Such situation has caused confusion amongst local stakeholders including local authorities.³² Nevertheless, while visible results are still lacking in certain areas, the civil sector’s involvement has undoubtedly raised awareness amongst Albanian and Montenegrin local government authorities on the need for establishing an enduring communication that will facilitate a forum where problems of border regions could be discussed in a free exchange of ideas and experiences. There already exists a sound basis for such a step and also increasingly improved human capacities of local government units in Shkodra district. On the other hand, Albanian central government should now shift from simply declaratory support to more concrete actions. The process of empowering local units to capitalize cross border cooperation requires not only decentralization of competencies, but also means to accomplish the assigned tasks. At this moment, better cooperation between both actors and well

³¹ Albanian PM Sali Berisha in his last year’s visit to Montenegro emphasized that the area between Lezha (Albania) and Tivat (Montenegro) should be developed into a euro-region. Daily “Shekulli”, 19.10.2005 – “Berisha: Kosova, zgjidhja sipas vullnetit të popullit”.

³² Albanian Government is actually working on this issue and has foreseen the setting up of a special body - Competitive Grant Committee, involving representatives from local and central government authorities. Apart from the state’s budget, the Committee will try to coordinate donors’ efforts and resources in terms of both, geographical areas and sectors in need. It is still unclear whether and how will the donor community fit in this proposal. Interview with LGDA (USAID) project officer. May 2006.

structured donors' assistance efforts are essential not only to establish their position as promoters and facilitators of cross border cooperation between other stakeholders, but also for entering the phase of institutionalization of cross border cooperation through the implementation of the euro region or working community models.

Nevertheless, Albanian and Montenegrin actors involved in such effort should bear in mind that the best way to achieve an institutionalized form of cross border cooperation does not entail only the act of its actual establishment,³³ but also an intensive activity of “linking” border communities and developing interdependent networks targeting common private/public/civil interests on both sides of the border. The progress of cross border cooperation with Montenegro in Shkodra region reveals that the sporadic efforts in this regard still need consolidation and improvements prior to any institutionalization. Furthermore, the process now should emphasize the bottom – up approach, by enabling local stakeholders to “capitalize” cross border initiatives and by providing other actors - inter/national donor community, investors, central authorities etc. - with more space for well-focused support.

Regional cooperation is still largely driven by international actors and confined to national elites. Local authorities in Shkodra region and in Montenegrin border areas should therefore provide evidence that they are able to switch places with these actors and consequently, that now they can be initiators instead of just subjects to bilateral agreements between both countries. While the link between local stakeholders and the donor community mainly needs minimal adjustments and coordination, at the national level, the relation between local and central government authorities should be further improved and put on the required frames of the principles of good governance and decentralization. These prerequisites however must be considered concurrently with the role and involvement of other stakeholders at regional and national level.

³³ This approach was employed to a certain extent in the case of Shkodra Regional Forum for Cooperation with Montenegro.

VI.2. Cross border initiatives in the field of tourism and business cooperation

Cross border cooperation constitutes an important tool for the economic and social development of border regions and consequently, to contribute towards a greater convergence in the regional development. Cooperation of local economies in border areas is considered by economists and policy-makers as one of the main preconditions for the integration of national economies in a certain region. Apart from its macro-level importance, cross border cooperation may play an essential role in the catching up efforts of border regions, which in most of the former communist countries have often been placed on the margins of the overall national economic development. Shkodra district constitutes such an illustrative example of marginalization even now, almost 15 years after the fall of communist regime and its centralized economic system. Shkodra was particularly hard hit by Albania's isolation since it lost its position as an important economic centre of the region. Now, almost half a century later, it faces deteriorating development prospects. The last fifteen years of transition proved that the re-establishment of the "natural" business links of Shkodra area with its regional partners and its revival as an important economic area would take more than just a spontaneous market forces. Albania's transition deepened the development gap as compared to the Montenegrin borderlands as well as with the national economy, and in particular with central and western parts of the country. Although the geographical position and development potential is much better than that of other border areas of north-eastern Albania, Shkodra still shares the same concerns and problems with them: high unemployment rate, stagnating economy, weak infrastructure, rural poverty and, to a lesser extent, migration. Consequently, the region now is facing the need to catch up not only with the economy of its immediate neighbours – the Montenegrin border areas, but also with national development trends.

Cross Border Cooperation in Business Areas

Apart from the “national barriers” influencing the economic development of Shkodra district, the episodic cooperation with Montenegro and the local stakeholders’ inability to catch up have also had an impact on the present level of socio-economic development in the region. The UN embargo, the 1997 events and the Kosovo crisis prolonged the isolation of this border area and jeopardized the prospects of the recently established business links with Montenegro, as well as the pace of economic development. Accordingly, while the number of legal businesses in Shkodra working with their partners on the other side of the border decreased, the opposite happened to illegal economic activities until 1999 – 2000. Although these activities provided an important source of income for the local community, they could not possibly influence the overall economic revival of the region. From this period onwards, economic cooperation with Montenegro got back on track facilitated also by the start of investments in roads and border infrastructure, as well as the restoration of state institutions’ authority. Nevertheless, much remains to be done and a great deal depends on the decisions local authorities take now.

Although the number of private enterprises increased during the post-Kosovo period, the entrepreneurial spirit of private enterprises did not go beyond their previous experience by exploring other opportunities and cross border cooperation areas, although the number of private enterprises increased during this period. Namely, more than half of enterprises out of 1600 private subjects in 2005 in Shkodra have been established during the last four years. On the other hand, Albanian experts argue that there is a decrease in the number of active enterprises in 2005 as compared to 2003 or even 2001, which is a consequence of a series of problems the business community in Shkodra is faced with: business climate, shortages in the powers supply, infrastructural barriers and low levels of trade exchange.³⁴ These problems have put pressure on big enterprises (with more than 80

³⁴ Interview with Mr. Ilir Ciko, Research Manager of Albanian Center for International Trade (ACIT). January 2006.

employees) and have further influenced the tendency of contraction, which is not the case with the larger number of small and medium sized enterprises.

Most of the business activity in Shkodra is focused on trade and services, while industry and manufacturing have languished behind since the closure of the old state-run enterprises. Regardless of regional proximity and the potential of comparative advantages for local entrepreneurs, trade and business cooperation remains at low levels, with most of the business links being focused on small trade exchange.³⁵ Although the region offers opportunities for the development of industry in mineral extraction and processing (copper and coal) and wood industries, the capacities of the local business community can not go beyond the limits of small trade.

There are two additional factors that restrain the expansion of entrepreneurship in other business activities such as manufacturing, industry, and tourism. Firstly, the competitiveness of the business community in Montenegro and its well established position in the regional market and secondly, the lack of governmental support in terms of public investments in infrastructure (especially in the city of Shkodra and the district's rural areas), credit lines and development projects.³⁶ The promotion of credit lines for small and medium sized enterprises in certain areas of interest for the local community, particularly for tourism and handicrafts, are very important also with regard to cross border cooperation.³⁷ Even though the banking sector in Albania has recently started to play an important role in the consolidation of Albanian businesses (mainly, small and medium sized enterprises), Shkodra region is still being perceived as a high risk area and consequently, it has obtained a low share of available credit lines' financing. A modest contribution has been offered in this regard also by different international donor

³⁵ Considering the share of SMEs in the total number of enterprises as well as the state of investments in this areas, this fact is understandable. Interview with Mr. Anton Leka, Chairman of the Chamber of Commerce in Shkodra. December 2005.

³⁶ Experts of the Chamber of Commerce in Shkodra argue that the creation of free economic / industrial areas constitutes another instrument that central government authorities may use in order to assist the economic revitalization of the region and to attract foreign investments. Shkodra round table: ***“Importance of Cross-border Cooperation for the Local Business Community”*** (Organized by AIIS in February 2006).

³⁷ There is a wide consensus among experts and local entrepreneurs that the development of tourism and handicraft industry carries the biggest potential for the development of partnership links with the Montenegrin business community.

organizations present in Albania by providing free of charge consultancy for entrepreneurs to obtain financial assistance for their micro/small businesses start ups. Yet, such assistance has so far resulted with only indirect and limited impact on the intensification of cross border economic activities with Montenegro.

While an examination of the capacities of local business community to upgrade its activity across the border would certainly enrich the debate, a thorough analysis of other stakeholders' involvement in potential areas of interest would complete the analysis, by identifying the gaps and obstacles for cross border cooperation. Statistical data from the Chamber of Commerce in Shkodra on the structure of private enterprises and their respective business activities confirm this sector's lack of capacity to determinedly take advantage of the new impetus by developing joint ventures and further deepening cooperation with their Montenegrin counterparts. Experience shows that cross border business activity remains within the frames of small trade while very little attention has been paid to other sectors. A long run development strategy must therefore include and harmonize the present initiatives in different economic sectors (wood industry, cooper, textiles, agriculture etc.) with reference to the input of the cross border cooperation component.³⁸

The industrial peripheral area of the city of Shkodra is actually hosting around 30 enterprises (mainly, shoe industry and textiles) which have employed a considerable number of the qualified labour force in the region. While most of these companies are based on foreign direct investments, Montenegrin private sector has shown no interest to invest in. Furthermore, the partial rehabilitation of the copper industry and the cables and wires factory in Shkodra provides optimal conditions for further investments in this sector in order to develop other branches involved in the full course of copper's utilization.³⁹ Albanian experts from the Foreign Investment Promotion Agency (FIPA) argue that the regional (Balkan) free trade area replacing the current bilateral FTAs is

³⁸ A strategy that includes these aims is currently being prepared by the Shkodra Municipality authorities in cooperation with World Bank and LGI.

³⁹ Presentation of Mr. Ilir Ciko (ACIT Research Manager) in the round table "***Importance of Cross-border Cooperation for the Local Business Community***" (Organized by AIIS in Shkoder, February 2006).

expected to have a direct impact also on Shkodra's plans for establishing a free economic zone. Namely, local authorities in Koplik and Shkodra counties have been lobbying central government authorities to assist the establishment of a free economic zone in Koplik area, for which Italian investors have already expressed interest.⁴⁰ The contribution of Montenegrin business sector, close cooperation of border local authorities and support from both countries' governments will undoubtedly accelerate the implementation of these initiatives. Furthermore, the implementation of a comprehensive medium/long run development strategy which also factors the cross border component will better orient border communities in their efforts.

Common benefits however must be adequately appraised also with regard to short and medium term prospective areas. Local stakeholders and national experts have constantly drawn attention to two main areas of mutual interest for cross border cooperation with Montenegro, which simultaneously carry an immense potential for success and results even within a relatively short period of time: handicrafts / artisanship and tourism. Namely, local communities on both sides of the border have a long tradition in handicrafts and artisan products (crafts). The Montenegrin handicrafts have already been provided the necessary support and space in the national market and beyond, mainly facilitated by the development of the tourism. However, this has not been the case with Shkodra, although the interest expressed in several handicrafts promotional events proves that "the tradition is still alive".⁴¹ On the other hand, lack of financial resources has limited not only the boost of this sector, but also the trade events (fairs) that would eventually contribute towards the promotion of this sector beyond national borders.⁴² Cooperation with and access to the Montenegrin market needs more serious considerations by local stakeholders in order to provide the necessary shift in the handicrafts' development. The previously mentioned artisanship fairs organized in

⁴⁰ This area has been chosen not only due to its geographical position, border and infrastructural facilities' proximity, but also due to its correlation with environmental issues.

⁴¹ "Shkodra Intellectual Woman", has established a positive experience with the Artisanship Fair in Shkodra which has been organized on a yearly basis.

⁴² Although the Chamber of Commerce has facilitated the participation of Shkodra craftsmen in few international fairs, handicrafts and artisanship activity are still behind expectations.

Shkodra should therefore include a regional element by involving not only the local handicraft community and other businesses in Shkodra, but also by attracting regional partners. Such undertaking however requires the involvement of both, private / civil and public actors in Shkodra and Montenegro. Although Shkodra's local government authorities have included such initiative in their development plans, more direct input is needed in order to effectively implement this project which aims at establishing and promoting Shkodra's Regional Artisan Fair. The involvement of the line ministries and other governmental agencies with both - logistic and financial back up, has been often underlined as very important not only with regard to this initiative but also for the promotion of businesses in Shkodra district.

In this context, different donor organizations such as GTZ have provided a valuable contribution for the promotion of handicrafts, but efforts have been focused mainly on the local level, while coordination with the Montenegrin border community has been relatively smooth. Nonetheless, while the donor community may be instrumental to supporting the initial attempt, local public and private stakeholders must show concrete engagement to ensure sustainability and tangible results. It is therefore crucial to take into account not only the support needed, but also the local actors' capacities, their interdependence and coordination with the respective community on the other side of the border. The involvement of central government authorities, financial institutions (banks) and other private enterprises can further facilitate the success of Shkodra's *Regional Artisan Fair* which would in addition expand to other traditional sectors in the district. Furthermore, the promotion of Albanian handicrafts in the region will certainly influence development in other areas as it will draw attention to the region's potential and perspectives. This is the case with tourism—the second area of interest for cross border cooperation with Montenegro—which according to local experts constitutes the greatest potential for cooperation with Montenegro.

Cross Border Cooperation in Tourism

Shkodra district and the northern neighbour share similar characteristics of the *tourism sector*, due to their common natural resources including lake (Shkodra Lake), river (Buna), sea (Adriatic Sea) and also a mountainous area (Accursed Mountains). Consequently, Shkodra district possesses all the necessary prerequisites for the development of four branches of tourism: coastal (lake and sea), winter (mountains), cultural (historic, cultural and archaeological attractions) and agro-tourism.⁴³ However, while Montenegro has succeeded to make full use of these resources, especially following the end of the Kosovo crisis, tourism in Shkodra seems to be in early stages. The national strategies for the development of tourism in Albania and Montenegro do not have a cross-border dimension. Although the proximity in geographical terms of these resources (within a 30 km radius) constitutes an attractive comparative advantage over Montenegro, the tourism sector in this district has not utilized even the minimal potential of the region in the last fifteen years.⁴⁴ Quite the opposite, tourist operators in the Shkodra region continue to “export” tourists and only in the recent years their cooperation with the Montenegrin partners started to focus on Albanian tourist attractions. However, the new tendency does not imply more than just daily tours to Shkodra and the interest for full season arrangements is still at low levels.⁴⁵ This fact is confirmed also by the data on the number of individuals crossing the border between Albania and Montenegro for daily visits during the period May – August 2005, which notes an increase as compared to the same one year before. Although such visits constitute an important first step towards the promotion of Shkodra region as a tourist attraction, local stakeholders must intensify their actions and attempt to go beyond the

⁴³ The slow pace of public investments in roads and infrastructure turns Shkodra’s natural advantage in a comparative disadvantage. Namely, although natural resources for the four branches of tourism (see above) are concentrated within a 30 km radius, the time needed to traverse these areas exceeds the normal limits.

⁴⁴ Besides its sea resorts (Budva, Kotor) Montenegro is famous in the region also for its skiing centers in Bjelasica and Durmitor which make this country available for tourists throughout the whole year.

⁴⁵ Such conclusion was articulated in several interviews of the AIIS research team with tourist agencies’ managers in Shkodra (such as “Shkodra Travel”, “Preval”, “Vilazen Lluja” etc.) and it was further voiced out in the second round table – “Developing the tourism sector in Shkodra through cross-border cooperation”.

utilization of Shkodra just as an “accessory” to the Montenegrin tourist resorts. Efforts, however, should not focus on competing with our neighbour’s long experience in tourism - local competition. They rather need to be focused on joining and coordinating operations on both sides of the border in order *to attract a greater number of tourists worldwide* and *to ensure better utilization of the natural potential for the development of the tourism sector*. This is what needs to be voiced out to the Montenegrin counterparts which may perceive Shkodra district as their future *best competitor* in the tourism sector.

While linking private entrepreneurs (tourist agencies, hotels, tourist resorts and centres) on both sides of the border to achieve the aforementioned goals will be crucial at a later stage, local, national and international stakeholders must now work on providing the shift and developing optimal conditions for the subsequent phase of tourism in Shkodra. In this context, there are some modest improvements as regarding infrastructural links between these regions in the last five years. Namely, public investments in roads (Tirana – Shkoder highway and some regional roads) and the re-opening of the railway connection between the two countries has considerably improved not only the trade exchange⁴⁶ but also the flux of movement of people. Moreover, Albanian and Montenegrin Government have recently inaugurated the most attractive border link between the two countries through the Shkodra Lake, Shkodra – Vir Pazar. There have been several years since the border communities have been urging central authorities to establish the Shkodra - Vir Pazar link, which may stimulate tourist exchanges between the two countries. Nevertheless, it seems that the reaction of both countries’ central authorities to the needs of their respective border communities is not as prompt so as to allow the expected acceleration of cross border cooperation. There are several initiatives pending before state authorities such as the Montenegrin proposal for the Podgorica – Plav highway through Albania which shortens considerably the distance between the two cities. Another issue of concern for both communities, in particular for the business sector, constitutes the

⁴⁶ However, there are no exact data on the trade relations with Montenegro because Albanian customs have so far been using only the “Serbia and Montenegro” entry in their registers.

Murriqan crossing point with Montenegro which has no custom authority. Private businesses are constrained therefore to communicate and exchange goods via Hani Hotit crossing point which significantly increases transport expenses.⁴⁷

Whereas the opening of the Murriqan crossing point has intensified to a certain extent the communication between Ulqin and Shkodra, further improvements in the border infrastructure for this link as well as for the recently established Shkodra – Vir Pazar connection will enormously assist tourism and trade relations. Such efforts however should involve also other challenges the Shkodra district is facing with. In this sense, further engagement by Albanian Government is urgently needed to address the power supply problems in Shkodra district.⁴⁸ The power shortages constitute one of the major obstacles not only for the local business community and the development of tourism, but also for the attraction of foreign investments in this region.⁴⁹ With regard to the tourist sector, foreign investments will be very much needed especially for winter (mountain) tourism because the region is lacking not only the respective infrastructure and tradition, but also the promotional channels for such an undertaking. Cooperation with Montenegrin counterparts (mostly in Bjelasica and Durmitor) would certainly facilitate the promotion and development also for this branch of the tourism in Shkodra district. Nevertheless, before getting to this point another set of concerns must be provided adequate solutions. The road infrastructure in the city of Shkodra and in the district's rural areas remains one of the main weaknesses of Shkodra's development prospects and consequently, a considerable barrier to the development of the tourist sector. The inadequate road connection with Montenegro, in spite of the several other negative consequences for the border community, has deprived Shkodra even from the minimal

⁴⁷ This is particularly important for the business cooperation between Shkodra and Ulqin because the Murriqan border crossing point is practically based between the two cities and shortens the distance to about 40 km (while it takes around 160 km through Hani Hotit).

⁴⁸ The ruling coalition that emerged after the last Parliamentary Elections (July 2005) has declared that the Government will give priority to tourist cities / areas for the water and power supply issues.

⁴⁹ This conclusion is supported not only by experts and local stakeholders, but also by foreign representatives in the country. The German Ambassador in Tirana H.E. Hans Peter Annen declared during a visit in Shkodra in October 2004 that once a solution is found for this problem [power supply] foreign investments will decisively "invade" this region's potential areas.

benefits of Kosovars' transit path to the Montenegrin or Croatian coast. Weak infrastructure in addition to the lack of satisfactory tourist capacities has kept down the number of the only "import of tourists" from Montenegro – the daily visitors to Shkodra.⁵⁰

Public investments have so far barely responded to the needs and the intensity of local community's pressure. The awkward communication between local and central government authorities has been often characterized by political disputes, which, according to the (DP) political representatives, was portrayed also in the share of public investments for Shkodra region.⁵¹ Although the decentralization process has often provided only scarce resources to perform the decentralized competencies, experts argue that local government units should have performed better. This is particularly important for the Shkodra Municipality and the operationalization of its development plan for the tourism sector. It is therefore crucial to focus on gathering support and on involving local stakeholders, preferably on both sides of the border, to effectively address problems with local infrastructure (roads, water supply, environment, sanitation and sewage disposal etc.), as well as other investments which will attract tourists to visit this region. Besides the assistance from central government, local authorities should become more active with regard to the private and civil sector. The involvement of Shkodra municipality in different projects of the donor community has been peripheral and it has rarely succeeded in drafting the agenda of civil society. Furthermore, the lack of coordination of such initiatives and the gap between their target and the local government units' concerns is becoming an increasingly worrying problem especially for cross border cooperation initiatives.

It seems that there is confusion on both sides. Namely, although inter/national donor organizations have been present in this region through several initiatives promoting cross border cooperation in different areas, the approach employed thus far has failed to

⁵⁰ Although tourist agencies in Shkodra have reported an increase in the flux of short visits to Shkodra, for the period April – September 2005, they argue that their capacities can cover even larger fluctuations. Interview with Mr. Sokol Hoxha – Director of "Shkodra Travel" (November 2005).

⁵¹ However, socialist representatives in the Municipal Council of Shkodra do not share the same opinion. Interviews with representatives of the Municipal Council of Shkodra (November 2005).

coordinate the prerequisites and the stakeholders' involvement in promoting cross border cooperation. With regard to the promotion of tourism in Shkodra district, the donor community's involvement has been present in areas that indirectly assist successful tourist activity, most obviously in the environmental field. This is understandable if we consider the importance of the natural reserves (Shkodra Lake, Buna River, Accursed Mountains etc.) and the fact that Shkodra shares responsibility for their preservation with Montenegro. However, support for cross border initiatives that would link local authorities in an applied joint effort addressing issues of concern for Shkodra's tourism sector (infrastructural, as well as cultural components) are still in short supply. While regional projects have been implemented by civil society organizations, their effect on the actual cooperation between local government units has been only tangential.

While the private sector in Montenegro and Albania will instinctively find its own incentives for cooperation in the field of tourism, their input in drafting policies for overcoming present barriers is still absent. In the case of Shkodra's business community such contribution is being jeopardized by a series of problems that concern the business climate and consequently, the private sector's capacity for both, pressurize and assist.⁵² The private – public cooperation and consultations at the local level have not yet moved towards implementation of written development agendas, while it is almost inexistent with central authorities. Consequently, the promotion of cross border initiatives with an effect on the tourism sector is still lacking the *local ownership* element and continues to come as a result of the international donors' activities (interest) or as a consequence of European integration agenda. This is why the only successful cross border initiatives in the Shkodra region are those which either have ensured the backing and sponsorship of the donor community (UNESCO, GEF, GTZ, USAID, UNDP etc.) or follow the implementation of integration agendas / requirements – regional cooperation.

⁵² One of the main concerns for legal businesses in Shkodra is the unfair competition by the existing informal market. Tourist agencies for instance argue that in addition to the unfavorable business climate they also have to face the consequences of the unfair competition by unregistered tourist companies in Shkodra. Interview with the managing staff of "Vllazen Lluja" agency.

At this point, cross border initiatives assisting the improvement of situation in Shkodra's tourist sector are characterized by dual constraints. Firstly, there is a perception that the development of tourism should include mainly public stakeholders (local/central government authorities and agencies), while the civil sector's contribution comes only as a remote consequence of their actions in other areas such as environment. More importantly, the weak position of the business community makes this sector incapable of actively contributing to planning and implementing cross border initiatives. Such a confusion of (miss)perceptions and actual involvement has been portrayed also in some initiatives of Shkodra stakeholders in support of cross border cooperation, such as the *Shkodra Regional Forum for Cooperation with Montenegro*. This leads to the second constraint for the tourist sector's cross border component – limited focus on the problems facing tourism. Lack of local ownership and the limited involvement of local stakeholders in cross border cooperation have also influenced the concentration of efforts on only a restricted number of important issues for the development of Shkodra's tourism and usually, with a peripheral emphasis for this sector. It is therefore crucial that brainstorming on cross border cooperation becomes a process that is characterized not only by increased involvement of actors, but also by improved interaction of stakeholders and coordination of their respective agendas. Moreover, local government units and central government authorities should take a more proactive role in this process and abandon the frames of declaratory support from a remote position in cross border initiatives. The contribution of civil society's cross border initiatives in several important areas – environment protection, culture, education etc. – should be further assisted by public stakeholders in order to both, deepen and further expand cooperation with better focused considerations on the development of the tourism sector.⁵³ While local government units are the ones that need to reconsider the possible input they may provide

⁵³ Such a need for actual involvement and assumption of responsibilities by local authorities and governmental agencies is best portrayed in the case of Shkodra Lake and Buna River. Although cross border cooperation on environment protection is deemed to be the most successful initiative local experts have continuously reported the consequences (degradation of these natural reserves) of state institutions' passive attitude with regard to some business activities.

in order to turn into an active player instead of just a subject to bilateral agreements, central authorities must further assist to the attainment of this goal.

In addition to finding solutions to some of the most pressing challenges facing the business community – infrastructural issues, informal economy, corruption, business environment etc. – Albanian Government ought to identify adequate remedies to the apathy that has gripped the private sector and the expansion of tourism. Local entrepreneurs and national experts have persistently drawn attention to the total blackout of credit lines for tourism and in this context have often invited central authorities to assist the business community and facilitate the crediting of companies working in the tourism sector. In particular, affordable credit lines should be offered to private initiatives in the field of coastal and winter tourism.⁵⁴ The Government on the other hand must take appropriate measures to reduce investment risk level which, according to the national financial institutions, still remain high. Due to the greater potential of business community, these measures and opportunities will generate positive effects not only regarding the local economy but also with respect to the cooperation of Shkodra's private sector with its Montenegrin counterparts.

Support for the development of tourism in Shkodra district will provide a simultaneous positive effect also in the other related segments such as services, transport and especially handicrafts and artisan products. The progress of handicrafts and tourism activities is interdependent because each sector's development serves also to the other's promotion and expansion. This is remarkably accurate in the case of Shkodra district which beside natural resources also has a long tradition in handicrafts and artisanship. The region's potential for cultural tourism can facilitate the expansion of handicrafts' development prospects also in Lezha and Kruja towns which thanks to the new Shkoder-Tirana

⁵⁴ Local experts argue that such measures should be considered also for other businesses (handicrafts, artisanship etc.) which either are related or assist to the boosting up of the tourism in Shkodra. Interview with Mr. Anton Leka, Chairman of Shkodra's Chamber of Commerce (December 2005).

highway can be reached in a very short time.⁵⁵ On the other hand, the promotion of handicrafts and artisanship activities will also respond to the needs of the tourism sector. While the local business community and other civil stakeholder in Shkodra region must take a more proactive position and lobby local government units and central authorities, public actors must show commitment to adequately respond to this pressure. The business environment and the lack of foreign direct investments still constitute major obstacles for the development prospects of Shkodra and in this sense, central authorities must show that they can do more than provide just declaratory support to the process. Cooperation with Montenegro must now focus on the actual implementation of the agreed commitments and further expand the border communities' links in other areas and initiatives. Following a thorough assessment of interest and capacities to contribute, local stakeholders' contribution to cross border cooperation in areas of common interest needs to be put under a better framework characterized by improved coordination on both sides of the border. It is important to note that the promotion of local ownership of cross border cooperation needs first and foremost an appropriate setting of local stakeholders' position in order to empower them to maximally engage in the local development and cross border economic cooperation. Further assistance by central government authorities and the donor community must be provided in order to encourage local communities in Shkodra and Montenegro to make full use of their respective comparative advantages and common natural resources, particularly through joint ventures in the field of tourism, wood industry etc. Major improvements in the field of border and road infrastructure, power supply, availability of credit lines will facilitate and provide the necessary shift in the current cross border economic activity.

VI.3. Cross border cooperation in environment protection

⁵⁵ Lezha and Kruja are famous for their historic and religious monuments (Scanderbeg era) and it takes only 25 and 40 minutes respectively to get there from Shkodra.

Cross border cooperation on environmental issues in Shkodra district constitutes one of the best-developed interactions between Albania and Montenegro. It is, in fact, the only sector which is recently being characterized by a harmonized course of actions and cooperation between public and civil stakeholders involved on both sides of the border.⁵⁶

This is so due to three main reasons:

- The effective involvement of the donor community;
- The great interest of Albanian and Montenegrin public authorities with regard to the natural resources these countries share (Lake of Shkodra, Buna River, Accursed Mountains etc.);⁵⁷ and particularly
- The fact that civil actors (local and inter/national) have maximally utilized the the former two factors in several cross border initiatives.

Furthermore, civil sector has often been instrumental in expanding and deepening cooperation between governmental (local and central) authorities in Albania and Montenegro, which, however, only in 2000 and onwards has been articulated in concrete initiatives. An important feature of the cross border component in environmental issues is the fact that this process has reached a satisfactory level of inclusiveness with key actors from the public sector (local and central authorities), civil sector (local and inter/national organizations and academic community) and to a lesser extent, economic operators involved. The settings of these actors' interaction in environmental field have portrayed and effectively addressed not only the needs and the interest, but also the eventual input each actor is able to provide. While problems have of course been present, overall the state of cross border cooperation in environment issues has progressed at a good pace.

⁵⁶ Referring to the Albanian energy crisis and the case of Bushat Hydropower on the Buna and Drin Rivers, Bumci argues that there are clear signs of cross-border policy communities and even cross-border advocacy coalitions in the environmental field. See Bumci A. "Cross-Border Cooperation between Albania and Montenegro" (2001), pp.42.

⁵⁷ Shkodra is very rich in water resources. Buna joins Drin River under the Rozafa Castle - a marvelous historic monument with a beautiful, but dramatic legend. The water resorts of Buna River and Shkodra Lake were "granted" the status of protected area - Shkodra Lake Natural Reserve (Decision of Albanian Council of Ministers, 2nd November 2005), while in the mountainous landscape, both countries have already established national parks in some areas.

Environmental issues are amongst first topics of interest that Montenegrin authorities have included in their proposals for cooperation with Albania. The shared responsibility these two countries have on the natural reserves as well as their imbalanced protection levels gave rise to several proposals by Montenegrin authorities following the fall of the communist regime in Albania. While Shkodra and Podgorica Universities committed themselves to conduct scientific research on Shkodra Lake in 1994, Albanian and Montenegrin governments were still at odds on the level of protection the Lake should have been granted with. Albania could not declare its share of Shkodra Lake a national park because this would directly affect the economic situation in the northern region. Nevertheless, economic concerns were not the only obstacle to this initiative. Albanian authorities would have been faced also with their lack of capacities to effectively address the eventual obligations from such status.⁵⁸ Consequently, Albania agreed only on a lower protection level for Shkodra Lake - Protected Area Status, which limited the cooperation of the respective parties in this area.⁵⁹ Furthermore, their contacts and actual activities did not note any major shift for another five years, due to the 1997 events and the Kosovo crisis.

Unlike governmental authorities, civil actors (universities, NGOs and international donors) on both sides of the border developed more intense cross border cooperation on environment protection after 1999. The first contacts at this time were made in December 1999 between the Association for the Protection and Preservation of the Environment (Shkodra) and the Skadar Lake National Park administration in Montenegro.⁶⁰ Furthermore, the early 1990s' cooperation efforts of Shkodra and Podgorica Universities were *granted* support by the German Rectors' Conference and the University of Graz to

⁵⁸ Weak capacities (human, institutional and infrastructural) of authorities in charge continue to pose threats in this context even in present days. Interview with Mrs. Djana Bejko, Project Manager - Regional Environment Center – Shkodra Office (November 2005).

⁵⁹ Bumci argues that Albania's reluctance to grant the national park status was simultaneously an obstacle to the enhancement of administrative capacities and legislative standardization. "Had this happened then commissions that would have been created on both sides to deal with monitoring of the lake would have been able to have a joint management plan". See Bumci A. "Cross-Border Cooperation between Albania and Montenegro" (2001), pp.40-41.

⁶⁰ Ibidem.

jointly monitor and assess the state and the eventual threats for the Lake. Considering the donor community's involvement and the growing interest by local and central authorities, both universities intensified their efforts to move towards a more institutionalized form of cooperation which would not only provide stakeholders with periodical scientific data, but it would also become part of a larger forum on Shkodra Lake.⁶¹ The input of the academic community in cross border cooperation on environmental issues was accompanied by similar efforts of environmental organizations and other civil actors. The involvement and contribution of the Regional Environmental Center (REC) is beyond doubt one of the most successful civil efforts in Shkodra and the adjacent region, not only because of its thriving cooperation with the donor community and the local governmental and civil actors, but also due to its successful engagement in coordinating these actors' interaction.⁶²

REC local offices in Podgorica and Shkodra have been particularly active in addressing environmental concerns for Shkodra Lake by emphasizing the importance of the regional approach. In this context, a valuable contribution has been offered through the implementation of the regional program "Trans-boundary cooperation through Management of the Shared Natural Resources" (Shkodra Lake, 2001) focusing on local and national capacities to interact and cooperate in order to jointly "address the needs" of this natural treasure.⁶³ *Shkodra Lake Forum*, one of the program's main components, proved to be a very advantageous tool for improving communication between sectors within countries as well as strengthening cross border cooperation in environmental protection.⁶⁴ Buna River has been also included in REC's contribution towards the

⁶¹ Although not quite with such a structure, both universities have been actively involved in the *Shkodra Lake Forum*. Local experts however argue that considering the operational structure of the *Forum* and the level of other stakeholders' involvement, the academic segment (alone) still can not provide the necessary shift towards its institutionalization. Interview with Mr. Bledar Striniqi, University of Shkodra (November 2005).

⁶² REC has local offices in both countries - in Albania since 1993 and Montenegro since 1998.

⁶³ The Program has been financially supported by the Swiss Agency for Development and Cooperation.

⁶⁴ The management of Shkodra Lake is rather unilateral and suffers from overlapping jurisdictions of national institutions in both countries as well as obstacles to law enforcement and effective management. The Shkodra Lake Forum therefore focused on gathering representatives of local stakeholders who were to play the most important roles in the lake's management and protection. The Forum is hoped to grow into a

conservation and the achievement of a sustainable use of the region's wetlands. Further lobbying and advocacy is being carried out in order to declare the downstream wetlands along Buna River on the Montenegrin part a Ramsar site,⁶⁵ thus matching up with the Albanian side. In addition, more tangible support for local stakeholders has been facilitated by REC either through institutional support and technical assistance for local public institutions (Regional Environment Agency, Water and Education Directorates etc.) or by attracting international donor's resources to support civil society, regional development and cross border cooperation.⁶⁶ A series of other local and regional activities have been implemented by REC and its partners in order to increase public awareness on environment protection, to enhance capacities and education, as well as to assist local and inter/national stakeholders with periodic reports, studies and recommendations on related issues.

Except the water resorts and the adjacent wetlands, Shkodra district shares with Montenegro also the so-called "Accursed Mountains" region which further extends to Kosovo and Serbia. This area is part of the Albanian Alps, one of the most fascinating and panoramic mountainous sites in the country, with an immense potential for attracting international donors. There are currently two national parks in the mountainous area of northern Albania - Albanian Alps: Theth National Park (70 km far from Shkodra, with an area of about 2.630 hectares), and Valbona Valley National Park (25-30 km northwest of the city of Bajram Curri, with a surface of about 8.000 hectares). The Accursed Mountains area is well-known for its remarkable biodiversity, rare plants and animals, as well as for its peaks well over 2000 m. This region represents an interesting cross-border region with inter-regional common identity and it bears the same name in Albania,

trans-boundary lake management body in the future, which would improve decision-making and the monitoring of the implementation of different strategies and measures.

⁶⁵ The Convention on Wetlands, signed in Ramsar, Iran, in 1971, is an intergovernmental treaty which provides the framework for national action and international cooperation for the conservation and wise use of wetlands and their resources. There are presently 152 Contracting Parties to the Convention, with 1611 wetland sites, totaling 145.2 million hectares, designated for inclusion in the Ramsar List of Wetlands of International Importance. More information available at <http://www.ramsar.org>.

⁶⁶ It is interesting to note that REC actions and events (for instance, the World Wetland Day) have often included (side) activities indirectly assisting to other areas of interest for cross border cooperation and economic development, such as local and regional fairs for handicrafts, artisanship, tourism etc.

Kosovo, Montenegro and also in Serbia (Engl. *Accursed Mountains*. Alb. *Bjeshket e Namuna*. Serb./Mont. *Prokletija*). The landscape offers therefore an excellent opportunity to establish and further broaden a cross border “environmental community” encompassing four countries. Apart from the impact on the economic development and environmental protection spheres, such a *community* can also be instrumental for improving the cooperation and relations between the four neighbors, particularly with regard to Kosovo-Serbia relations. An interesting project that has already started to show the first results is the Balkan Peace Park Project (B3P), a UK registered Charity, officially operating since 2004.⁶⁷ The B3P aims to facilitate the creation of a trans-national, cross-border park in the adjoining mountain areas of Kosovo (Pec, Rugova Valley), Montenegro (Plav area) and northern Albania (in Theth Area), and in addition, to promote economic development and sustainable tourism activities.⁶⁸ This initiative has been very active in the last two years by organizing a series of meetings with local and central authorities and by promoting the region’s ecosystem, as well as its economic and touristic potential.

Figure 3. The Peace Park Region

⁶⁷ Parks for Peace are trans-boundary protected areas that are formally dedicated to the protection and maintenance of biological diversity, and of natural and associated cultural resources, and to the promotion of peace and cooperation (IUCN 2001). The World Conservation Union (IUCN) brings together 82 States, 111 governmental agencies, more than 800 non-governmental organizations and around 10.000 scientists and experts from 181 countries in a unique worldwide conservation network.

⁶⁸ Cross border cooperation on environmental issues in Shkodra is an interesting case-study because the actors and actions do not necessarily limit themselves only on environment protection matters, but they tend to incorporate also other areas and topics pressing the local community (economic development, tourism, SMEs, education, infrastructure etc.). In this sense, stakeholders from other social areas - culture, media, academia etc. - also find themselves included in these interactions by inserting into the agenda other concerns which can either assist cross border cooperation on environment or can get assistance from such cooperation.



Source: www.balkanspeacepark.org

The Balkan Peace Park Project has so far proved to be successful in linking efforts of local stakeholders and gain the attention of the international donor community. Furthermore, while economic and tourist issues are given relatively less weight in the REC, the B3P puts special emphasis on economic and infrastructural concerns in this area. In both cases, cross border cooperation on environmental issues has succeeded to attract international donors and local community's involvement.

Nevertheless, these are not the only cross border environmental actions. Local actors on both sides of the border have succeeded to raise funds for their common efforts from which have benefited also local public institutions in charge for environmental protection. Several initiatives at local and national level have already ensured sound communication links between actors involved and an easygoing cooperation.⁶⁹ Yet, environmental

⁶⁹ Mrs. Zamira Poda - Manager of Civil Society Development Center (Shkodra) argues that the increase of cross border civil initiatives is a process that goes in tandem with the level of development of civil society organizations (CSOs). Therefore, the boost of local initiatives focusing on cross border cooperation in environmental issues in Shkodra district is a consequence not only of the donors' interest (which still remains crucial), but also of Albanian and Montenegrin CSOs' capacities to develop regional initiatives.

concerns are still far from being fully addressed, as there are still a large number of issues waiting to be solved and common actions from both sides of the border. The involvement of civil society actors and the donor community can not however improve by default the state of environment in the region, particularly in the Albanian part, without a more proactive and problem-solving oriented approach by the public sector – local authorities and central government. Civil society can and, it has already done a great job in gathering public actors and to a certain extent even coordinating local government actions in both sides of the border. In this context, *Shkodra Lake Forum* for instance takes place at two levels - local and regional. Such an approach contributes towards a greater efficiency of regional meetings of Albanian and Montenegrin participants, as they are preceded by a series of “brainstorming sessions” at the local level in which each border community identifies the challenges and articulates potential solutions. This has not only prevented the regional forums from remaining limited to simple formal meetings with declaratory inputs, but it has further increased the pressure of other sectors to public authorities. The Forums have been therefore transformed into well-targeted gatherings where particular concerns are thoroughly analyzed by public and civil stakeholders in Shkodra and the Montenegrin border area.⁷⁰

Consequently, the obstacles to the enhancement of the environmental protection level and their impact on cross border cooperation follow from the actual involvement of local and central authorities to effectively perform their competencies. Although recently the attitude of Albanian governmental actors has been more forthcoming, their support still can not catch up with the wide variety of cross border initiatives. The progress is being further hindered also by several difficulties in other areas such as fiscal decentralization, improvement of capacities of governmental bodies, and uncontrolled activities of economic operators which inevitably affect the performance of authorities in protecting

Considering the fact that environment is one of the top areas of interest for cooperation between both countries, common concerns in this field and other specific elements have been often encompassed even in projects with other types of central focus. Interview with Mrs. Zamira Poda - Manager of Civil Society Development Center in Shkodra (November 2005).

⁷⁰ Interview with Mr. Bledar Striniqi, University of Shkodra (November 2005) and consultations with local experts at the Regional Environment Center - Shkodra Office (November 2005).

Shkodra's natural reserves. These concerns have been portrayed in the framework of cross border cooperation with Montenegro by delaying the implementation of some initiatives.⁷¹ In addition, the lack of consultations and exchange of experiences with local authorities in other border areas within the country (Ohrid - Prespa Lake) constitutes another element of such delays. Consultations with other experiences in Albania are very important because of the common challenges deriving from the national legal and organizational framework border regions are dependent upon. Civil actors too, have to pay attention to this element by harmonizing information-sharing and cooperation at the national level while simultaneously taking further steps towards the institutionalization of bilateral cooperation in the environmental field with Montenegro. *Shkodra Lake Forum* may, in this sense, provide an extremely valuable contribution without necessarily creating another special conference of central and local government bodies. The latter, however, must continue its efforts to respond to the recommendations and expertise that important civil stakeholders (REC, GTZ etc.) offer on addressing environmental issues.

A greater involvement of central government authorities is crucial in order to move beyond the declaratory support which has not been lacking. Progress in economic development, rule of law, and local governance—areas that condition environmental protection—should be accompanied with greater efforts to gather the donor community's support at a higher stage of cross border cooperation in environmental field. The development of cross-border policy communities and cross-border advocacy coalitions in the environmental field can upgrade the efficiency of the public sector in attracting international donors just as much as they can eventually put pressure on the private sector to take notice of environmental protection concerns in their economic operations. The implementation of the so far agreed initiatives as well as of the forthcoming ones between

⁷¹ This was the case also with the proposal to declare the Accursed Mountains a national park which would constitute probably the most important achievement not only with regard to Montenegro, but also Kosovo and eventually Serbia. Mr. Ismail Beka (GTZ, Tirana Office) argues that focusing on the region's natural resources would expand cross border cooperation in environment as well as in economic development issues. This however, will take synchronized actions and support not only from the donor community, but firstly, from the respective governmental bodies. Interview with Mr. Ismail Beka – Program Manager, GTZ Albania (March 2006).

governmental actors in both countries, first and foremost need the state's involvement. The civil sector's contribution, consequently, can not substitute such involvement and neither can it entirely fill up the gap emerging from the public authorities' incapacity or unwillingness to act. Cross border civil initiatives in the environmental field should be seen by governmental actors as an important end-in-itself and not as a last resort tool to keep alive cross border cooperation between Albania and Montenegro. While cross border cooperation in environmental issues is one of the best-developed interactions between Shkodra district and Montenegrin borderlands, appropriate input by state authorities will undoubtedly increase its effectiveness.

VI.4. Cross border cooperation in higher education, culture and media

Generally speaking, cross border cooperation in the Western Balkans is mainly linked to the economic recovery and reconciliation attempts of post-conflict societies adjacent to state borders. This is understandable considering that all these countries - Croatia, Bosnia & Herzegovina, Montenegro, Serbia, UN administered Kosovo, Macedonia, and Albania – have experienced armed conflicts or breakdowns in law and order in the last decade, which in most cases have resulted also in low levels of mutual understanding and good neighbourly relations. That is, cross border cooperation has either been impossible or it has not been a priority for most of the nineties. Nevertheless, cooperation in fields such as culture, media and education has increasingly gained importance as these countries leave behind the conflictual experiences of the past.

Intense and self-sustaining cross border initiatives require a good level of economic and social development of border communities, as well as stable bilateral relations between the countries concerned. This also applies to Albania and Montenegro, although we notice that cooperation levels are not uniform across sectors. In the fields under consideration, cooperation in higher education has been productive and sustained while in the case of culture and especially media, cooperation has lagged behind. The private media sector in Albania experienced real growth only after 1997 – 1998 and as such it is not surprising that major achievements in this field have been lacking. Cooperation in cultural activities on the other hand was quite sensitive to the “up and downs” of political relations between Albania and ex-Yugoslavia and the latter’s position in the regional and international arena.⁷² Certainly, the development of joint initiatives in this field could not

⁷² Although Albania and Montenegro have never been involved in mutual confrontations, their bilateral relations could not be immune to the difficult relations between Albania and Serbia. Albanian-Montenegrin relations during the 1990s do not fall into the category of ‘normal’ bilateral relations. Montenegro was tied to Serbia in rump Yugoslavia and consequently, it was difficult for Albanian authorities to develop tight links with Podgorica because of the difficult institutional and political environment within which this cooperation was supposed to occur. See Bumci A. “Cross-Border Cooperation between Albania and Montenegro” (2001), pp.10 – 18.

be indifferent neither to the progress achieved in cross border cooperation between these countries' border communities, which during the 1990s have been deprived from a normal pace of development of cross border cooperation.

Higher Education

Universities play an important role in providing non-political platforms for the articulation of regional concerns. The existence of universities close to the border regions – the State University of Montenegro in Podgorica and University Luigj Gurakuqi of Shkodra – is an important factor that can have a significant impact on cross-border cooperation.⁷³ Differently from the culture and media sectors, the academic communities in Shkodra and Podgorica have succeeded to overcome most barriers. There are several reasons for this, such as the support provided by international donors for certain important areas of common interest, their relative “independence” from the (in)activeness of other local stakeholders such as private sector and local government authorities, and cooperation with civil society.⁷⁴ Together with the environmental field, cooperation in higher education is quickly becoming a good example of what could be achieved if interests and will on both sides of the border coincide.

Cooperation between Shkodra and Podgorica universities during the 1990s was quite modest. In the nineties, Albanian and Montenegrin central authorities facilitated cooperation between the academic communities in Shkodra and Podgorica. Both parties in a January 1993 meeting agreed on the need to intensify bilateral cooperation in culture and education while in another meeting of local stakeholders headed by the Mayor of Podgorica the parties emphasized the need for the promotion and intensification of both universities' cooperation. In April 1994, both universities signed a protocol for cooperation which was focused mainly on scientific research on Shkodra Lake and Buna River (Bojana River). Nevertheless, as both universities were on a different level of development (Shkodra University had still to catch up in several areas) the intensification

⁷³ Ibidem, pp.40.

⁷⁴ Interview with Mrs. Zemaïda Kastrati Mozali, University Luigj Gurakuqi, Shkodra. November 2005.

of their cooperation and the respective results had still to wait for donors' support that materialized post 1999 and greater attention in financial terms by the state.⁷⁵

Following the temporary rehabilitation of Yugoslavia's international position after the Kosovo war, inter-university cooperation in the Shkodra district was particularly emphasized. Both universities were granted financial support to implement what was previously agreed on paper. Important backing was provided by the German Rectors' Conference and the University of Graz under the EU's Stability Pact, which not only enabled these institutions to practically work together, but it also assisted the Shkodra University to strengthen its human, institutional and infrastructural capacities. Another important component of the academic community's cooperation in this region is the reciprocal assistance to and exchange of faculty, particularly in academic fields such as Albanian language for Montenegrin universities or tourism and environmental protection for the University of Shkodra. The cooperation between Shkodra and Podgorica universities has also facilitated the establishment and further expansion of contacts with other universities in Montenegro, although formal agreements on a more thorough cooperation are still lacking.⁷⁶

Nevertheless, while a continuous cooperation and joint research activity on this region's ecosystem (Shkodra Lake and Buna River) is smoothly taking place; it seems that the deepening of both universities linkages is still lagging behind. Shkodra and Podgorica universities are situated in a distance of only 45 minutes ride from each other, which is less than half of the nearest Albanian university centre - University of Tirana. The proximity of university centers is therefore a significant advantage not only for researchers, professors and scholars in this region trying to explore other academic experiences and the higher education system as such, but also for the border communities themselves. At this stage, efforts should accordingly focus on the subsequent phase of academic centers' cross border cooperation in the region, as now academia is ready for new dimensions of cooperation in the higher education system. Apart from individual

⁷⁵ Interview with Mr. Bledar Striniqi, University of Shkodra. November 2005.

⁷⁶ Shkodra University professors are actually assisting also to the University of Niksic on their Albanian language courses.

initiatives of prospective students, both institutions need to put more effort on developing exchange programs and joint academic courses in order to increase mobility of students and teaching staff. This, on the other hand, will simultaneously imply also greater and more effective cooperation of higher education institutions in the region, through common efforts to harmonize curricula and improve teaching methods. Support from central authorities - Ministries of Science and Education in the respective countries - will in addition facilitate progress in this regard and will contribute towards a greater mobility of researchers, students and scholars.⁷⁷ Cooperation on concrete measures such as mutual recognition of graduate and postgraduate diplomas between Shkodra University and its Montenegrin counterparts will have an immediate positive impact.⁷⁸

Both universities have so far succeeded in utilizing donors' interest on the region's ecosystem and consequently, the acquired experience can be well employed in a reversed manner – attracting other stakeholders' support in fields of common interest for cross border cooperation such as tourism, economics and business management etc.⁷⁹ The value added to border communities' cooperation is manifold and concurrently involves most of the values and principles promoted by the European Union with its mobility programs for students, researchers and academic staff such as Tempus, Erasmus Mundus, Socrates, Lingua and Minerva. That is, it will enhance quality in higher education, promote intercultural understanding through cooperation, promote high quality human resources, strengthen co-operation and international links, language teaching and learning etc. Needless to say, the development of a sound cooperation between higher education institutions in the Shkodra district and the adjacent region would have a positive impact

⁷⁷ There is no exact data about the number of ethnic Montenegrins from Albania or other Albanian citizens studying in Podgorica's University. Interviews with leaders and activists of Moraca Rozafa Association of Serb Montenegrin minority in Albania, November – December 2005.

⁷⁸ Thus far, certain measures are in place only for students who have finished their studies in Macedonia, Bulgaria and Russia. Namely, they do not have to attach a certified copy of the official program of studies to their application for recognition of their degree. For more detailed information see the official web-site of the Ministry of Education and Science of the Republic of Albania, http://www.mash.gov.al/arsimi_larte/dokumentat%20qe%20duhen.htm.

⁷⁹ Such support does not necessarily imply only financial resources, but also opportunities for internships and exchange of experiences with skilled staff across the border. Such opportunities in the fields of business and tourism in Montenegro would be of particular interest for Shkodra University students.

also in other areas. Nonetheless, progress in other socio-economic spheres is certainly needed so as to provide the necessary preconditions enabling such cooperation in higher education and in order to make sure that the fruits of this cooperation will be enjoyed locally.

Culture

Cross border cooperation in culture is one of the most problematic for the northern Albanian district, mainly because of the peripheral attention it has gained thus far and the low prospects for support. Joint cultural events have been organized since early 1990s by many local associations and individuals. Shkodra and Podgorica municipalities as well as other local stakeholders have facilitated several cross border cultural activities such as: performances in Montenegro of Migjeni Theatre and of the choral group Preng Jakova of Shkodra, concerts and joint exhibitions in Shkodra, Podgorica, Ulqin etc. The existence of ethnic minorities on both sides of the border has to a certain extent enriched the cultural cooperation between the two countries although the respective minorities associations should take a more proactive role in this field.⁸⁰ It is interesting to note that civil actors have in several occasions supported the cultural exchange initiatives. This has been the case with Alba-Montenegro association, Mobil Art Foundation in Podgorica, Montenegrin Doclean Academy of Arts and Sciences, Shkodra office of Regional Environment Center etc.⁸¹ Nevertheless, what has been missing so far is a more firm, continuous and tangible support to cultural institutions in Shkodra district which would enable them to develop and implement initiatives of this kind. A major obstacle is the low financial as well as human resource capacities of public cultural institutions. It is now

⁸⁰ Experts argue that the role of ethnic minorities should not be confined within the respective “nation”. It takes little effort to organize and host a cultural event for the Albanian community in Montenegro. However, the impact on the cultural linkages of both nations is rather limited. What is necessary is cultural exchanges between Slav Montenegrin and Albanian ethnic groups not only to establish sound relationships but also as a tool for the development of tourism, business links and trade. Interview with Mr. Daniele Pedretti, Project Manager at Cooperazione Italiana (Ohrid Prespa Lake Project). February 2006.

⁸¹ In addition, civil society’s cross border activities have often included joint cultural events.

obvious that an intensive cross border cultural cooperation between Shkodra and the Montenegrin border community will not become reality only with intermittent cultural events which may take place in the margins of other events such as fairs or other promotional activities. Furthermore, serious attention should be paid to a more sustainable and thorough cooperation between cultural institutions in fields such as archaeology, museums, history, and theaters rather than just taking advantage of cultural events being organized occasionally as a sideshow for other activities.⁸²

Shkodra local authorities until now have only assisted in the organization of those joint cultural activities which have been supported by other stakeholders. The first serious attempt to go beyond this limit is laid out in the *Strategic Plan for Economic Development 2005–2015* (Shkodra Municipality) which in addition includes a cross border perspective in this field. This document has clearly identified the necessary measures that would provide this sector with a more favorable position to contribute in the socio-economic development of the region (mainly in the area of tourism). On the other hand, the strategy tends to put the efforts of local and inter/national stakeholders under a significantly consolidated framework, harmonized with actions in other fields - economic development, cross border cooperation in the tourism sector etc. - so as to allow sustainable results in the long run on cross border cooperation in culture.⁸³ Nevertheless, one should wait for the operational plan of the Strategy in order to evaluate the likelihood of the expected benefits, as outlined in the strategic plan.⁸⁴

⁸² A soundly structured framework of cooperation between cultural institutions on both sides of the border may well be instrumental also for the development of other “problematic” fields in the Shkodra region. The experience shows that the promotion of certain cultural activities (taking place on a regular basis) is likely to have an impact also in the field of tourism by putting the region “on the map.” This is particularly true if tourism in the Shkodra region develops concomitant with rather than in competition with Montenegrin tourist industry. Cross border cultural activities would popularize Shkodra across the border thus attracting the attention of tourists visiting the Montenegrin coastline. Furthermore, the inclusion of the Montenegrin partners in such undertaking will only increase the chances for success.

⁸³ The Strategy has been prepared by the Municipality of Shkodra under the guidance of the World Bank Group, the Open Society Institute and the Foundation for Local Autonomy and Governance (FLAG). The document is available online at: <http://siteresources.worldbank.org/INTLED/Resources/339650-1122490529659/Shkodra.pdf>

⁸⁴ See “Expected Benefits” on page 20 – 22 of the Strategic Plan for Economic Development 2005 – 2015 (Shkodra Municipality 2006).

The document itself represents a novelty in the process of interaction of local stakeholders because it links their efforts in a horizontal scheme (*governance*) and furthermore it looks beyond national borders. Cross border cooperation in the sector of culture is crucial not only in terms of progress in this field, but also with respect to the mutual understanding and building good neighborly relations between communities on both sides of the border. This region's border communities are viewed as linked through the existence of the respective minorities. However, their prospective positive impact in the field of cultural exchange and cooperation is still vague. The document represents a roadmap of the development goals and what should be done to achieve them while saying relatively little on how these steps will be carried out.

The support of other institutions has not been focused on building sustainable links and continuous cooperation between stakeholders in the culture sector. Therefore, the joint initiatives and activities organized so far, although often successful, constitute but a sound starting position towards a more comprehensive, enduring and resourceful cultural link between Shkodra and the Montenegrin border community. This, on the other hand, will take more than just peripheral efforts and attention of Albanian stakeholders (particularly by governmental authorities) and in addition it will require also a constructive cooperation from the Montenegrin side. Enlivening the national stakeholders for more compact actions constitutes at this moment the most important step. It will certainly be focused on governmental actors in charge - particularly, of the financial aspect - of the development of culture sectors, but it should not stop at this point. Public institutions and other actors in the culture sector must "provoke" the involvement and support especially of active stakeholders in the cross border cooperation process - inter/national donor organizations, civil society, local bodies etc. - while concurrently strengthening the already established links with Montenegro.

Media

From a broader perspective, the promotional aspect of cross border media cooperation constitutes an important component which may have a substantial impact also in other fields besides the culture sector such as in tourism and economic development. Establishing communication links and cooperation between the local media sectors in border areas can be instrumental not only to this sector's development, but also with regard to the overall social and economic development of the region. Particularly in the case of broadcasted media, economic operators are very interested to "arrive at" the community across the border too and this has so far been well utilized in certain border regions in the country.⁸⁵ As previously argued, the liberalization process in the Albanian media sector took place relatively late, which on the other hand explains the present development in this sector at the local/regional level. Considering that, differently from the national public and/or private media, the local broadcasters tend to focus on the local community, the cross border dimension of the local media (when based alongside the border regions) is often more developed even than in the case of "expensive" national operators. Nevertheless, the *cross border dimension* has so far occurred only peripherally and spontaneously, i.e. mainly by enabling media coverage of certain cross border activities such as the annual book fair in Ulqin, regular meetings or activities of national/local stakeholders involved in developing cross border cooperation in Shkodra region etc.⁸⁶ Accordingly, none of the northern region's televisions - TV Shkodra, TV Rozafa, TV Kopliku etc. - has actually established cooperation links with their "competitors" in Montenegro - TV Elmag, NTV Montena, TV IN or the national public operator TV Montenegro. Moreover, local broadcasters on either side of the border do not have correspondents who would regularly report on events in the respective neighboring region.⁸⁷

⁸⁵ Mr. Daniele Pedretti brings to our attention the case of local private televisions in Pogradec - Albania (TV SOT 7 and ARV Pogradec) and Struga - Macedonia (TV Kaltrina) which are now taking full advantage of such an interest from local entrepreneurs. (Interview, February 2006).

⁸⁶ The media sector in this region includes mainly televisions while local radios and printed media are almost inexistent (except the local newspaper "Gazeta Shkodra" or the Shkodra supplement of the Albanian daily "Metropol").

⁸⁷ Local journalists in Shkodra claim that Montenegrin media shows less optimism about cooperation than their Albanian counterparts in Shkodra.

Most residents in the northern border region also confirm that local televisions do not broadcast any kind of TV programs realized in cooperation with Montenegrin media.⁸⁸ Although there is a considerable community on both sides of the border who actually understand the other language, local media have identified no common interest to make use of or assist the further association of border areas. While free and fair competition would probably administer the common interest and eventual cooperation of local private electronic media as the latter builds up, a greater involvement of other actors is expected in order to develop cross border links between this sector's operators. Not only is the role of the state in this aspect entirely absent, at least for local media in Shkodra region, but also donor organizations have shown little interest beyond sporadic training events for journalists where local reporters have participated. In such circumstances, local stakeholders have not planned to develop a strategy on the utilization of the cross border dimension in the media sector. Accordingly, cross border cooperation of local media is far weaker than in the culture sector where stakeholders are committed to achieve sustainable results through a rather consolidated framework of efforts. If we refer to the previously described stages of cross border activities' progress, the media sector is about to enter the very first phase – that of erratic attempts to cooperate with no major support of other stakeholders.⁸⁹ Although progress in due course of cross border cooperation with Montenegro in all fields of common interest (tourism, business, culture, higher education etc.) will undoubtedly push the involvement of the media in joint activities, the existing communication gap weakens the incentives for cross border cooperation in other fields. First and foremost, state authorities are those who should therefore provide support for local broadcasting operators as well as the printed media by encouraging them towards the cross border component in their pursuit. The utilization of such incentives thru grants for TV programs or other joint activities will not only put in place the communication and cooperation “infrastructure” facilitating cross border cooperation of operators in this field, but it will also contribute towards the advancement of cross border interactions in

⁸⁸ Interviews in Shkodra and Koplik (November 2005 – March 2006).

⁸⁹ See the introductory remarks of Chapter VI.

other relevant fields of common interest in Shkodra and the adjacent region in Montenegro. Civil society organizations and inter/national donors should also be more open to actions in this context either through direct support (competitive grants, institutional support etc.) or through indirect assistance – training (human capacity building), facilitation of media representatives' consultations and exchange of experiences. Such measures however should be accompanied with an increased awareness amongst local media representatives not only on the benefits of cross border cooperation, but also on the instruments and opportunities, i.e. different incentives other than state-originating ones, that may generate and further back their efforts.⁹⁰

While the media sector's cooperation in border regions usually follows the pace of cross border cooperation in general, it seems that in the case of Shkodra and Montenegro local media operators still need to catch up even with the humble progress achieved thus far. Beyond the ordinary media coverage of cross border events, Shkodra's media operators must now make an effort to get deeply involved in joint activities and cross border cooperation with the Montenegrin adjoining region.⁹¹ The support that would eventually be provided by other actors (state authorities, civil sector, different donors etc.) in this process, although is essential at the early stage, must ensure that local media operators would not become fully dependant upon their assistance. Cross border cooperation in the media sector will follow the progress of interactions of stakeholders on both sides of the border and it will further be guided by common interests to be identified in due course at an upper stage. Therefore, while assistance and increased support is needed to ensure progress, it must be carefully administered in the subsequent stages so as to ensure that cross border cooperation in the media sector in Shkodra and Montenegro is self-reliant and that its engagement in this process does not result from donor's assistance, but from the prospects (opportunities and benefits) of border regions' cooperation.

⁹⁰ This is very important because one of the findings of the research and field work in Shkodra is the fact that local media representatives are not very familiar with alternative funding opportunities particularly with regard to certain issues of interest for building good neighborhood relations in border regions such as: cross border cooperation, promotion of cultural diversity etc.

⁹¹ Such cooperation however should not be limited to the ethnic Albanian community in Montenegro as has often been the case so far.